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The TOBACCO SITUATION

TS-81

1958 OUTLOOK ISSUE

September 1957
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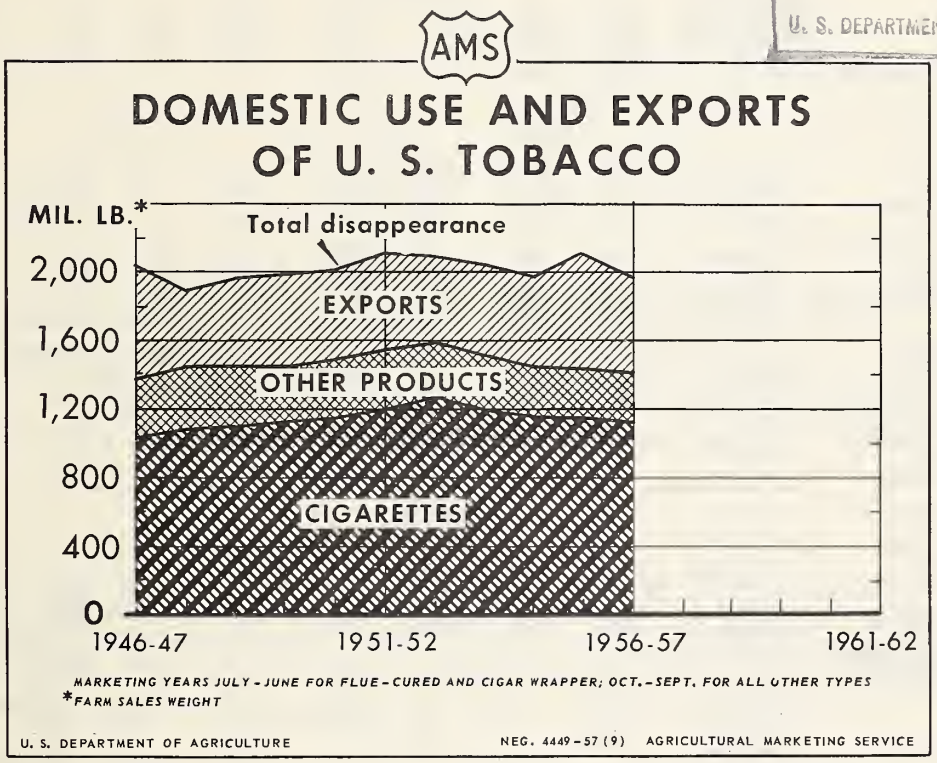

Total disappearance of leaf tobacco in 1956-57 is estimated at 1,965 million pounds (farm-sales weight)--6 percent lower than in 1955-56. Exports, at about 560 million pounds, were 90 million below the large 1955-56 shipments. About 1,120 million pounds of domestic leaf was used in cigarette manufacture--around 20 million less than in 1955-56 despite a 4 percent rise in the number of cigarettes produced. On the average, less tobacco than formerly is used per cigarette because of filter tips and smaller sizes; also tobacco leaves are more completely utilized and machinery is more efficient. These factors largely account for the paradox of smaller use of leaf tobacco even though cigarette output increased.

Published quarterly by
AGRICULTURAL MARKETING SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE

STATISTICAL SUMMARY

Item	Unit or base period	1956 May	1956 June	1956 July	1956 Aug.	1957 May	1957 June	1957 July	1957 Aug.	Last data available as percentage of a year earlier
Average prices at auctions										
Flue-cured	Cents per lb.	C-l-o-s-e-d		48.4	50.8	C-l-o-s-e-d		56.3	57.0	112
Burley	Cents per lb.	C-l-o-s-e-d				C-l-o-s-e-d				---
Maryland	Cents per lb.	54.8	51.8	44.9	Closed	51.1	50.7	51.6	47.8	115
Fire-cured	Cents per lb.	C-l-o-s-e-d				C-l-o-s-e-d				---
Dark air-cured (35-36)	Cents per lb.	C-l-o-s-e-d				C-l-o-s-e-d				---
Virginia sun-cured (37)	Cents per lb.	C-l-o-s-e-d				C-l-o-s-e-d				---
Parity prices										
Flue-cured	Cents per lb.	54.3	54.3	54.5	54.7	56.5	56.5	56.3	56.3	103
Burley	Cents per lb.	53.2	53.2	53.4	53.6	57.4	57.4	57.2	57.2	107
Maryland	Cents per lb.	53.6	53.6	53.6	54.0	55.4	55.4	55.2	55.2	102
Fire-cured	Cents per lb.	36.0	36.0	36.2	36.3	38.8	38.8	38.6	38.6	106
Dark air-cured (35-36)	Cents per lb.	30.9	30.9	31.0	31.1	33.2	33.2	33.0	33.0	106
Virginia sun-cured (37)	Cents per lb.	32.9	32.9	33.0	33.1	35.5	35.5	35.4	35.4	107
Parity index 1/	1910-14=100	286	286	287	287	296	296	295	295	103
Tax-paid removals										
Cigarettes, small	Billion	36.2	34.3	31.0	37.6	38.2	34.2	35.2		114
Cigars, large	Million	554	477	428	515	565	450	478		112
Chewing and smoking	Mil. lb.	13.2	11.8	10.0	13.7	12.1	11.4	11.4		114
Snuff	Mil. lb.	3.4	3.2	2.3	3.5	3.3	3.1	2.4		104
Accumulated from Jan. 1										
Cigarettes, small	Billion	162	197	228	265	171	205	240		105
Cigars, large	Million	2,473	2,950	3,379	3,894	2,286	2,736	3,214		95
Chewing and smoking	Mil. lb.	61.6	73.4	83.4	97.1	56.9	68.3	79.7		96
Snuff	Mil. lb.	16.4	19.6	21.9	25.4	15.6	18.7	21.1		96
Tax-free removals										
Cigarettes, small	Billion	2.8	2.9	2.5	2.9	2.5	3.3	3.0		120
Cigars, large	Million	5.6	7.6	5.6	7.0	4.8	8.3	5.3		95
Chewing and smoking	Mil. lb.	.4	.4	.2	.4	.4	.4	.2		100
Accumulated from Jan. 1										
Cigarettes, small	Billion	11.9	14.8	17.3	20.2	12.6	15.9	18.9		109
Cigars, large	Million	25.6	33.2	38.8	45.8	27.0	35.2	40.5		104
Chewing and smoking	Mil. lb.	1.3	1.7	1.9	2.3	1.5	1.9	2.1		111
Disposable personal income 2/	Bil. dol.		285.8				299.5			105
Index of industrial production 3/	1947-49=100	141	141	136	143	143	144	144	144	101
Employment	Million	65.2	66.5	66.7	66.8	65.2	66.5	67.2	66.4	99
Labor force employed	Percent	96.2	95.8	95.9	96.8	96.0	95.2	95.7	96.2	99
Exports (farm-sales wt.)										
Flue-cured	Mil. lb.	31.4	27.0	18.9	34.4	27.7	34.6	28.9		153
Burley	Mil. lb.	3.6	3.8	2.6	2.1	1.8	4.7	1.0		38
Maryland	Mil. lb.	1.0	1.0	.6	.9	.9	.5	.4		67
Fire-cured	Mil. lb.	2.3	2.6	2.6	2.4	1.3	3.8	1.0		38
Dark air-cured	Mil. lb.	.6	.2	.8	.5	.5	.4	.4		50
Cigar	Mil. lb.	.7	.5	.3	.4	.7	.9	.6		200
Accumulated from beginning of marketing yr. 4/										
Flue-cured	Mil. lb.	526.0	553.0	18.9	53.3	430.5	465.1	28.9		153
Burley	Mil. lb.	22.1	25.9	28.5	30.6	19.3	24.0	25.0		88
Maryland	Mil. lb.	9.2	10.1	10.7	11.6	9.2	9.7	10.2		95
Fire-cured	Mil. lb.	23.5	25.0	27.7	30.1	19.2	23.0	24.0		87
Dark air-cured	Mil. lb.	3.7	3.9	4.7	5.2	7.5	7.9	8.3		177
Cigar filler and binder	Mil. lb.	2.6	2.7	2.8	2.8	2.9	3.1	3.2		114
Cigar wrapper	Mil. lb.	4.7	5.1	.3	.6	3.8	4.5	.5		167
General imports, all commodities	Mil. dol.	1,095	1,034	1,052	1,055	1,104	983	1,137		108
Accumulated from Jan. 1	Mil. dol.	5,313	6,346	7,398	8,453	5,460	6,442	7,579		102
Sterling area gold and dollar reserves 5/	Mil. dol.	2,369	2,385	2,405	2,276	2,345	2,381	2,367	2,142	94
Stocks of domestic types (farm-sales weight) 6/										
Flue-cured	Mil. lb.			2,258				2,511		111
Burley	Mil. lb.			1,436				1,430		100
Maryland	Mil. lb.			76				80		105
Fire-cured	Mil. lb.			153				160		105
Dark air-cured	Mil. lb.			91				94		103
Cigar, filler	Mil. lb.			211				204		97
Cigar, binder	Mil. lb.			123				109		89
Cigar, wrapper	Mil. lb.			17				18		106

1/ Prices paid, interest, taxes, and farm wage rates. 2/ Annual rate, seasonally adjusted. 3/ Seasonally adjusted.
4/ July 1 for flue-cured and cigar wrapper and October 1 for other types. 5/ Held in London. 6/ Dealers' and manufacturers' holdings in United States and Puerto Rico on first day of quarter.

THE TOBACCO SITUATION

Approved by the Outlook and Situation Board, September 20, 1957

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SUMMARY

Production of most kinds of tobacco in 1957 is substantially below last year mainly because of reduced acreage as the result of smaller allotments and participation in the Soil Bank. Total output is the smallest since 1943. Carryovers of most kinds are large, however, and supplies for 1957-58 will be only moderately lower than for 1956-57.

Combined domestic use of the two principal cigarette tobaccos, flue-cured and burley declined in 1956-57 even though the number of cigarettes manufactured increased. On the average, more cigarettes are being obtained from a given quantity of tobacco. Many filter tip brands take less tobacco and some brands have been reduced in size. Manufacturers now make more complete use of tobacco leaves; stems (midribs), leaf fragments and fine particles are used to make sheet, which reduces the quantity of stripped leaf needed for filling cigarettes. More efficient machinery also has helped raise cigarette output per pound of leaf tobacco in the last few years.

Cigarette consumption in 1957 will total a record high of about 405 billion if the estimated cigarette consumption rate for January-July is maintained. Nearly 392 billion cigarettes were consumed last year, and the previous high was 394 billion in 1952. The January-July level of consumption used to estimate the annual rate may not be maintained in view of the publicity linking cigarettes and health. For this reason, the course of cigarette consumption appears uncertain during the latter part of 1957 and in 1958. Data for several additional months will be necessary before definite trends are evident. Considering earlier experience, no sharp curtailment in cigarette smoking is expected.

Filter tips will comprise about 40 percent or more of total 1957 cigarette consumption according to trade sources. The June price advances on older, established brands of nonfilter tip cigarettes greatly narrowed the price gap between them and filter tips which have always sold at a premium.

Cigar and cigarillo consumption in 1957 is estimated at 6.2 billion, not much different than in 1956. Cigar manufacturers are utilizing processed binder on an increasing proportion of their output, and further displacement of natural leaf binders is likely in the years ahead.

Output of smoking tobacco in 1957 seems likely to be about 70 million pounds--3 percent less than in 1956. The production of chewing tobacco and snuff this year is estimated at about 73 million and 36 million pounds, respectively--both down 4 percent from 1956. Between May and July, wholesale prices of snuff, chewing and smoking tobacco increased 7 to 17 percent. These were the first significant price increases for smoking tobacco and snuff in several years. Prices of chewing tobacco after being stable for a long time were first increased in late 1956.

Exports of unmanufactured tobacco in calendar 1957 are expected to be around 475 million pounds (export weight)--about 7 percent below 1956 and 2 percent below the 1951-55 average. About an eighth of tobacco exports in the past 2 fiscal years was under P.L. 480 programs which provide for foreign currency sales. P.L. 480 sales will be important again in the current fiscal year. Under existing law, the cutoff date for P. L. 480 authorization is June 30, 1958. Exports during 1957-58 will be lower than the 1956-57 level unless substantial purchases are made from stocks of old crop tobacco. This year's crop of flue-cured--the predominant export tobacco--is small and prices of many grades desired by foreign buyers are at record levels.

Most kinds of tobacco will be under marketing quotas and acreage allotments in 1958. The 1958 quota for flue-cured will be announced by the Secretary of Agriculture by December 1, and for other kinds by February 1. The Soil Bank Program will be available again to eligible growers in 1958. This program contributed significantly to the 1957 acreage cuts for some types of tobacco.

The 1957-58 total supply of flue-cured is 6 percent lower than the record 1956-57 level. The 11 percent larger carryover in mid-1957 than a year earlier offsets to a considerable extent the 34 percent drop in production.

Marketings of this year's small flue-cured crop are well along; through September 20, prices averaged 56.4 cents per pound--9 percent higher than in the comparable period of last season. Deliveries for Government loans thus far have been relatively small, far less than in the previous years.

The 1957-58 total supply of burley probably will be 1 or 2 percent lower than for 1956-57. This year's crop is estimated about 4 percent smaller than in 1956 and carryover is estimated slightly less than a year ago.

The 1957-58 total supply of Maryland tobacco is likely to be about 8 percent below 1956-57, mainly because of this year's sharply reduced production. The September estimate for the Maryland crop is more than one-fifth lower than last year's harvest.

The 1957-58 total supplies of fire-cured tobacco and dark air-cured (including sun-cured) are estimated 5 or 6 percent smaller than for 1956-57. Although carryovers from previous crops are larger than a year ago, increases are more than offset by the approximately one-fourth cut in production of these types. Growers of the fire-cured and dark air-cured types will vote prior to next planting season on whether or not they favor marketing quotas for their 1958, 1959, and 1960 crops. For most other kinds of tobacco, growers approved the application of quotas to their 1958 crops in previous referendums. Grower approval in a referendum makes quotas effective on each of the next 3 crops.

The 1957-58 total supply of continental cigar filler is estimated 6 percent below 1956-57. The Pennsylvania crop is down sharply due to dry weather. The Puerto Rican crop harvested early this year was the smallest in 10 years and stocks are probably one-twelfth lower than a year ago.

The 1957-58 total supply of the combined cigar binder types is down about one-eighth from the 1956-57 level and more than one-fifth lower than 2 years ago. Acreage reductions were particularly sharp in the Connecticut Valley, where a substantial share of the allotted acreage was placed in the "reserve" of the Soil Bank Program.

The 1957-58 total supply of shade-grown cigar wrapper is a little larger than in 1956-57. The increased carryover more than offsets the smaller Connecticut Valley crop.

Government price supports for tobacco under marketing quotas in 1958 will be set at 90 percent of parity except for fire-cured, dark air-cured and sun-cured tobaccos. For 1957 crops, price support for fire-cured will be 75 percent and for dark air- and sun-cured, 66 2/3 percent of the barley support level. Beginning with the 1958 crop, however, support levels for these kinds will be the same as their 1957 levels unless (1), the burley support drops below its 1957 level, or (2), 90 percent of parity for these kinds of tobacco rises above their 1957 support levels.

RECENTLY PUBLISHED

Tobacco Smoking in the United States in Relation to Income

Marketing Research Report No. 189

by Seymour M. Sackrin and Arthur G. Conover

Based on data gathered from approximately 18,000 persons in an early 1955 survey, this 212-page publication provides information on characteristics of tobacco smoking in relation to income, cross-classified with age, sex, region, urban-rural residence, and other population characteristics. Included are detailed information on forms and rates of smoking, estimates of the smoking population, and reconcilation of survey data with official statistics as released by the Internal Revenue Service. Single copies may be obtained from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C. Additional copies may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., at $1.00 per copy.

TOBACCO PRODUCTS

Cigarettes

How cigarette consumption in the year ahead will compare with the past year or two is uncertain. A major unknown is the reaction of smokers or potential smokers to statements and publicity dealing mainly with excessive cigarette smoking and lung cancer. Major news stories on this subject appeared in late March and again in June and July. The latest available official statistics that indicate cigarette consumption through July show no decline. Data for several additional months will be necessary before definite trends are evident and even then conclusions will be tentative. Considering earlier experience, no sharp curtailment in cigarette smoking is expected.

The number of cigarettes removed from factories (tax-paid) during January-July 1957 was 5.6 percent larger than in the same months of 1956. Part of this increase was due to marketing of new brands and sizes, the stocking up at wholesale and retail levels.

If the estimated consumption rate for January-July is maintained in the last 5 months of 1957, cigarette consumption in 1957 would total about 405 billion compared with nearly 392 billion smoked in 1956. Total manufacture, which includes the cigarettes produced for export and shipment to overseas forces

Table 1.--Cigarettes: Total output, domestic consumption, shipments and exports for specified periods

Period	Total output	Domestic consumption 1/	Shipments and other 2/	Exports
	Billions	Billions	Billions	Billions
Average				
1925-29	3/107.5	98.2	3/ 9.3	9.0
1935-39	164.2	157.0	1.7	5.5
1940-44	256.9	223.5	27.5	5.8
1946	350.0	321.7	6.6	24.1
1947	369.7	335.4	11.5	22.8
1948	386.8	348.5	13.5	25.2
1949	385.0	351.8	13.7	19.5
1950	392.0	360.2	17.5	14.3
1951	418.8	379.7	22.1	16.8
1952	435.5	394.1	23.6	16.4
1953	423.1	386.8	20.8	16.2
1954	401.8	368.7	17.7	15.4
1955	412.3	382.1	15.2	15.1
1956	424.2	391.6	15.3	15.7
1957 4/	438.0	405.0	16.5	16.5
	Fiscal year			
Year ending June:				
1953	436.6	396.9	22.5	17.0
1954	413.6	377.7	19.9	15.6
1955	407.8	375.2	17.4	15.1
1956	416.8	387.1	14.5	15.3
1957	433.9	400.1	16.0	16.1

1/ As indicated by tax-paid removals. 2/ Mainly to forces overseas, to United States possessions, and ships stores. 3/ Includes output in bonded factories--of importance in 1925-29, but not in subsequent periods. 4/ Preliminary estimate.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

and possessions, would be near 438 billion--3 percent above 1956 and slightly above the record 1952 figure. It is emphasized that the above estimates mainly reflect, on an annual basis, the estimated January-July level of consumption--a level which may not be maintained in view of the publicity linking cigarettes and health.

The total quantity of tobacco utilized in cigarettes in the year ended June 30 continued to decline despite a 4 percent increase in the number of cigarettes manufactured. Manufacturers are producing an estimated 10 percent more cigarettes per pound of farm-sales weight tobacco than 3 years ago. Important in raising the output of cigarettes per pound of leaf tobacco is that many filter tip brands take less tobacco than nonfilter tip brands and the size of some brands has been changed by reducing the length and probably the circumference. Part of the increase in output of cigarettes per pound of leaf tobacco is due to more efficient machinery and more complete use of the tobacco leaf itself. Stems (midribs), broken leaf fragments and fine tobacco particles are now utilized to make tobacco sheet, which in effect reduces the quantity of stripped leaf needed for filling cigarettes.

In June 1957, cigarette manufacturers raised the prices of nonfilter tip cigarettes. At the manufacturer level, the increase (excluding tax) amounted to 7.8 percent for king size brands and 8.7 percent for regular size brands. At the retail level with Federal and State taxes included in the price, the increase amounted to about 4 or 5 percent per package when sales are in single-package or two-package units. Prices for cartons (10 packs) in some large retail chain outlets increased around $3\frac{1}{2}$ percent. Generally the 1 cent per package difference between regular and king size cigarettes was maintained. Retail prices of king size nonfilter tip cigarettes, however, are now close to or identical with prices for most filter tip brands. The price differential between older, leading regular size brands and filter tip brands is only about one-half as much as it was before the recent price changes.

According to trade sources, filter tip cigarettes may account for 40 percent or more of all cigarettes sold this year. New brands of filter tips in the menthol category were placed on the market during the past few months.

The Federal excise tax on a package of 20 cigarettes has been 8 cents since November 1, 1951. According to existing legislation, this rate is scheduled to be reduced to 7 cents per package on July 1, 1958. Originally this tax rate was to revert to 7 cents on April 1, 1954, but yearly amendments to the legislation postponed the reduction.

The total tax revenue collected on cigarettes by the United States in the fiscal year ending June 30 was $1,611 million--4 percent above 1955-56 and a record high. The previous peak was $1,587 million in 1952-53.

Forty-two States and the District of Columbia also tax cigarettes and the gross amount of such taxes for the year ending June 30 has been estimated at about 600 million dollars roughly one-tenth above 1955-56 and a new high.

Cigarette exports in 1957 are likely to exceed 16 billion, the largest volume in 4 or 5 years. During January-July 1957, cigarette exports were 5 percent larger than in the like period of last year. Increases were

Table 2.--Cigarette exports from the United States to leading destinations for specified periods

Country	Calendar year		Year ending June 30		January-July		
	Average 1934-38	Average 1951-55	1956 1/	1957 1/	1956 1/	1957 1/	1957 as percentage of 1956
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Percent
Venezuela	39	1,593	1,819	2,102	1,062	1,221	115
Tangier-Morocco	12	1,761	1,082	2,032	886	1,199	135
France	307	778	902	982	477	820	172
Hong Kong	22	884	845	961	516	651	126
British Malaya	3	649	604	717	389	463	119
Sweden	80	692	732	709	460	365	79
Panama-Canal Zone	389	721	581	582	332	369	111
W. Germany	2/32	442	491	576	270	334	124
Belgium	63	801	397	568	249	368	148
Denmark	54	293	348	433	215	270	126
Other Countries 3/	3,773	7,378	7,492	6,466	4,269	3,557	83
Total all countries	4,774	15,992	15,293	16,128	9,125	9,617	105

1/ Preliminary. 2/ Prewar Germany. 3/ Includes about 90 to 95 foreign destinations in recent years.

Compiled from publications and records of the Bureau of the Census.

particularly sharp to France, Tangiers and Belgium. Of the top 10 foreign outlets (accounting for roughly three-fifths of the total), each took more except Sweden. Shipments to the numerous other countries that take smaller quantities dropped about one-sixth.

Cigars

Cigar and cigarillo consumption in the United States and by overseas forces in 1957 is estimated at approximately 6.2 billion, not much different than in 1956.

Because of changes in tax collection and reporting procedures in July 1956, statistical data on cigars reported by the Internal Revenue Service since that time have been difficult to interpret. Production and consumption apparently have moved sidewise, although monthly totals fluctuate considerably and sometimes appear inconsistent. A considerably longer period during the changed reporting procedure than has yet elapsed will be needed before Internal Revenue Service figures on tax-paid removals will be of maximum usefulness.

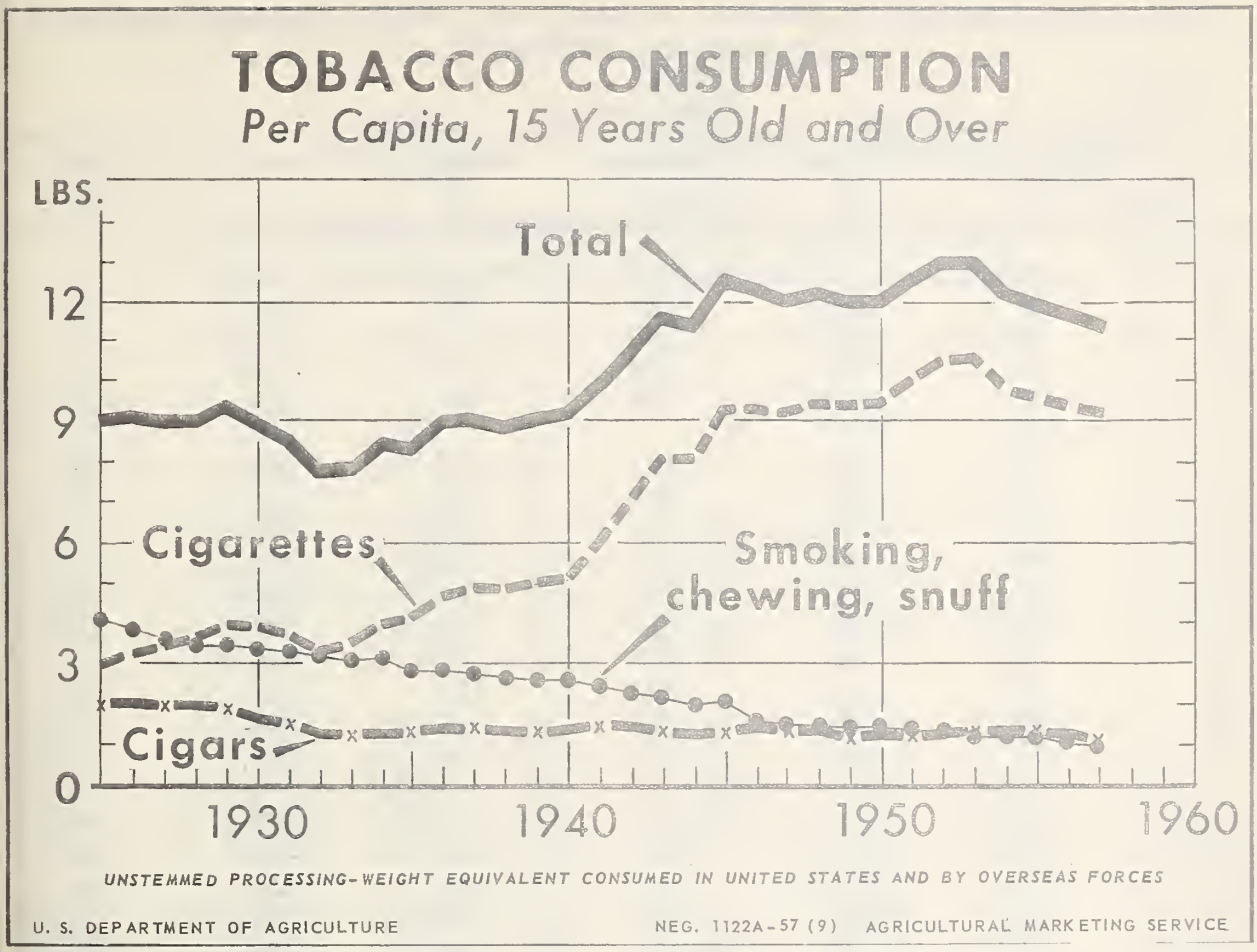
Table 3.--Tobacco products: Consumption per capita, 15 years and over, in United States and by overseas forces, 1925-57

(Unstemmed weight)

Year	Cigarettes	Cigars	Smoking, chewing, and snuff	Total tobacco products
	Pounds	Pounds	Pounds	Pounds
1925	2.96	1.99	4.03	8.98
1926	3.17	1.99	3.87	9.03
1927	3.42	1.93	3.61	8.96
1928	3.58	1.91	3.44	8.93
1929	3.91	1.86	3.44	9.21
1930	3.84	1.67	3.34	8.85
1931	3.63	1.53	3.29	8.45
1932	3.21	1.24	3.19	7.64
1933	3.49	1.23	3.07	7.79
1934	3.94	1.29	3.11	8.34
1935	4.11	1.30	2.80	8.21
1936	4.61	1.40	2.81	8.82
1937	4.81	1.40	2.74	8.95
1938	4.76	1.31	2.68	8.75
1939	4.95	1.32	2.56	8.83
1940	5.16	1.36	2.60	9.12
1941	5.95	1.42	2.41	9.78
1942	7.01	1.41	2.27	10.69
1943	7.99	1.28	2.19	11.46
1944	8.04	1.22	1.96	11.22
1945	9.15	1.26	2.05	12.46
1946	9.24	1.37	1.59	12.20
1947	9.16	1.29	1.50	11.95
1948	9.35	1.31	1.46	12.12
1949	9.33	1.16	1.44	11.93
1950	9.36	1.18	1.42	11.96
1951	9.98	1.19	1.31	12.48
1952	10.41	1.26	1.25	12.92
1953	10.46	1.26	1.18	12.90
1954	9.73	1.22	1.16	12.11
1955	9.58	1.21	1.15	11.94
1956	9.32	1.20	1.07	11.59
1957 1/	9.22	1.17	1.02	11.41

1/ Preliminary estimate.

Note: Data are not available to adjust for quantites that were lost, destroyed, bartered, etc., under war and postwar conditions, but in relation to totals, such adjustments probably would be small.



The 1957 tobacco consumption per person, 15 years and over (in the United States and by overseas forces), is estimated at 11.4 pounds--slightly lower than in 1956 and the lowest for the postwar period. Consumption in cigarettes, at 9.2 pounds, accounted for four-fifths of the total. Although the number of cigarettes consumed has risen in the last 3 years, the equivalent unstemmed poundage figure has declined since more cigarettes are being made from a pound of tobacco.

Cigar consumption per person has held nearly level for several years, but consumption per person of both smoking and chewing tobacco is the smallest on record.

Table 4.--Index numbers of tobacco consumption per capita, 15 years and over, by products, 1925-57 1/

(1947-49=100)

Year	Cigarettes 2/	Cigars 2/	Smoking 3/	Chewing 3/	Snuff 3/	Total 2/
1925	32	159	217	302	127	75
1926	34	159	210	295	126	75
1927	37	154	198	275	131	75
1928	39	152	189	262	130	74
1929	42	149	187	250	126	77
1930	41	133	193	223	124	74
1931	39	122	212	194	121	70
1932	35	99	220	156	110	64
1933	38	98	218	146	108	65
1934	42	103	215	145	109	69
1935	44	104	212	143	105	68
1936	50	112	211	142	109	73
1937	52	112	202	140	105	75
1938	51	104	212	128	104	73
1939	53	105	212	121	105	74
1940	56	108	211	118	103	76
1941	64	113	199	121	106	81
1942	76	112	173	129	109	89
1943	86	102	155	131	113	95
1944	87	97	141	139	109	93
1945	99	101	165	128	112	104
1946	100	109	102	121	101	102
1947	99	103	99	105	99	100
1948	101	104	101	101	101	101
1949	101	93	100	94	100	99
1950	101	94	98	91	97	100
1951	108	95	91	89	94	104
1952	112	101	86	87	92	108
1953	113	101	78	85	92	108
1954	105	98	74	81	90	101
1955	103	97	69	78	90	100
1956	100	95	62	74	85	97
1957 4/	99	93	60	71	82	95

1/ Including overseas forces beginning 1940.

2/ Based on unstemmed-weight equivalents.

3/ Based on manufactured weights.

4/ Preliminary estimate.

Table 5.--Cigars 1/: Output and domestic consumption for specified periods

Period	Domestic factories			Bonded manufacturing warehouses	Imports for consumption		From Puerto Rico: Tax-paid withdrawals in United States
	Total output	Tax-paid removals	Tax-free removals	Tax-paid removals	Total 2/	From Cuba	
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.
Average							
1935-39	5,075	5,060	13	66	192.4	3.0	27.4
1940-44	5,450	5,282	199	105	93.7	15.3	11.6
1946	5,618	5,621	26	125	22.2	20.1	77.8
1947	5,488	5,460	41	124	12.5	9.1	6.2
1948	5,645	5,588	38	140	11.8	10.3	5.0
1949	5,453	5,399	46	142	10.9	10.2	4.6
1950	5,399	5,365	47	160	11.9	11.1	.7
1951	5,594	5,518	85	177	14.3	13.0	.7
1952	5,825	5,755	102	196	14.6	12.5	1.9
1953	5,915	5,820	90	205	16.8	13.4	9.9
1954	5,820	5,690	89	206	16.3	12.3	49.5
1955	5,776	5,831	82	227	20.3	14.7	84.3
1956	5,768	5,896	72	233	22.8	18.4	93.2
1957 3/	5,840	5,770	75	238	24.0	18.5	110.0
	Fiscal year						
Year ending June							
1953	5,911	5,789	94	203	15.6	12.6	3.3
1954	5,849	5,736	101	199	16.2	12.6	30.0
1955	5,783	5,714	82	222	16.5	12.7	66.4
1956	5,806	6,030	74	231	20.9	15.0	92.8
1957	5,779	5,681	74	3/235	23.7	18.5	100.8

1/ Weighing over 3 pounds per 1,000 and including cigarillos. 2/ Predominant share of cigar imports prior to World War II came from the Philippine Islands. 3/ Preliminary estimate.

Basic data but not estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

During the first half of 1957, about 52 percent of all cigars retailed at 8 cents or less; 42 percent retailed at 8.1-15.0 cents, and the remaining 6 percent at higher than 15 cents each.

Manufacturers' prices for cigars, as indicated by the Bureau of Labor Statistics data, rose comparatively little during the past several years. In the 5 years ended July 1957, the BLS index of cigar prices rose 3 1/3 percent. "Popular" and "medium" priced cigars were up 5 to 6 percent but "low" and "high" priced cigars were nearly unchanged compared with 5 years earlier.

Cigars made exclusively from imported tobacco in bonded manufacturing warehouses and cigars coming from Puerto Rico have grown in importance during the last few years. Both sources still supply a small fraction of total United States consumption.

Cigar manufacturers utilize processed binder in an increasing proportion of their output. Perhaps a third of all cigars and cigarillos made will have a processed binder by the end of this year. Further displacement of natural leaf binders is likely in the next 2 or 3 years. Processed binder makes substantial savings possible due to the smaller quantity of binder tobacco required, less storage, and less labor needed for handling and manufacture.

Smoking Tobacco

Output of smoking tobacco in 1957 seems likely to be around 69½ million pounds--approximately 2 million less than in 1956 and a new low. The principal use is for pipes and, second, for "roll-your-own" cigarettes. Since 1950 consumption of smoking tobacco has declined steadily from the fairly stable level of 1946-50. Smoking tobacco output apparently will continue near the low level of the past year or two. In the main, pipe smoking and "roll-your-own" cigarettes are the most economical forms of smoking. With consumer incomes at favorable levels, an appreciable rise in purchases of smoking tobacco for reasons of economy is not likely. Some smokers concerned about the alleged effects of cigarettes on health may switch from cigarettes to pipe smoking.

According to the Bureau of Labor Statistics index, wholesale prices of smoking tobacco advanced 20 percent from March to July of this year following a 5-year period of very little change.

Exports of packaged smoking tobacco have ranged from about 550,000 pounds to 640,000 pounds annually in the last 5 years. In the first 7 months of 1957, exports of packaged smoking tobacco were 13 percent ahead of those in the same period of a year earlier. Canada, the leading outlet, took a half again as much as in the same months of 1956.

Much of the manufactured tobacco reported in the export classification as bulk smoking tobacco is not included in the output figure reported by the Internal Revenue Service. Exports of manufactured tobacco shipped in bulk averaged about 5 1/3 million pounds annually from 1953 to 1956--over 3 times as much as the average for the preceding 5 years. During the first 7 months of 1957, exports of bulk smoking tobacco totaled 2 3/4 million pounds--about

Table 6.--Consumption of cigars, smoking and chewing tobacco per male, 15 years and over, in the United States and by overseas forces, 1925-57

Year	Cigars 1/	Cigars 2/	Smoking tobacco 3/	Chewing tobacco 3/
	Number	Pounds	Pounds	Pounds
1925	170.4	3.88	4.12	5.05
1926	167.6	3.89	3.99	4.94
1927	163.2	3.77	3.77	4.61
1928	158.9	3.73	3.59	4.40
1929	157.7	3.64	3.56	4.20
1930	141.6	3.28	3.69	3.75
1931	127.2	3.00	4.03	3.26
1932	103.7	2.44	4.21	2.63
1933	100.7	2.42	4.17	2.47
1934	105.3	2.53	4.12	2.45
1935	107.1	2.57	4.07	2.43
1936	114.1	2.77	4.07	2.41
1937	115.1	2.78	3.89	2.38
1938	110.8	2.60	4.09	2.18
1939	111.8	2.62	4.09	2.07
1940	112.5	2.70	4.08	2.01
1941	117.7	2.83	3.86	2.06
1942	117.5	2.81	3.35	2.21
1943	105.1	2.56	2.99	2.23
1944	98.5	2.43	2.72	2.37
1945	104.9	2.53	3.19	2.20
1946	112.9	2.75	1.99	2.07
1947	105.4	2.60	1.93	1.81
1948	107.0	2.63	1.97	1.74
1949	102.8	2.35	1.95	1.61
1950	101.5	2.38	1.91	1.57
1951	104.1	2.40	1.78	1.53
1952	108.3	2.55	1.69	1.50
1953	108.9	2.56	1.52	1.47
1954	106.3	2.49	1.45	1.41
1955	106.9	2.47	1.37	1.36
1956 4/	107.5	2.44	1.22	1.29
1957 4/	106.1	2.38	1.18	1.23

1/ Weighing 3 pounds and over per 1,000 and includes cigarillos.

2/ Unstemmed-processing weight.

3/ Manufactured weight.

4/ Preliminary estimate.

one-fifth less than during the like period of 1956. Major destinations thus far during 1957 were Spain, Panama, Mexico, Dominican Republic, Haiti, Bolivia, and Ecuador.

Chewing Tobacco

The 1957 output of chewing tobacco is estimated at about 73 million pounds--2½ to 3 million less than in 1956 and the smallest in this century. The persistent downtrend in chewing tobacco consumption has been apparent for many years and a further decline seems likely in the year ahead.

Scrap and plug account for about 47 percent and 44 percent of total chewing tobacco, and twist and fine-cut make up the other 9 percent. Since 1947-49, output of scrap chewing has dropped about 18 percent and plug and twist are down about 28 percent. The output of the comparatively small fine-cut category has been stable over much of the past decade.

According to the Bureau of Labor Statistics index, wholesale prices of plug chewing tobacco increased 12 percent in late 1956 and gained another 7 percent from May to June of this year. These price advances are the first of any significance for several years.

Table 7.--Output of manufactured tobacco in the United States for specified periods

Period	Smoking	Chewing					Snuff
		Plug	Twist	Fine-cut	Scrap	Total	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average:							
1935-39	195.3	56.8	6.0	4.8	43.8	111.4	37.3
1940-44	176.2	54.8	6.0	4.6	47.9	113.3	40.7
1946	106.4	51.8	5.8	3.8	46.1	107.5	39.4
1947	104.7	47.3	5.2	3.8	42.2	98.5	39.2
1948	107.6	45.3	5.6	3.2	42.1	96.2	40.8
1949	108.1	41.9	5.6	2.8	39.6	89.9	40.9
1950	107.7	40.3	5.5	2.7	39.0	87.5	40.0
1951	101.3	39.9	4.6	2.8	39.1	86.4	39.5
1952	96.8	39.1	4.8	2.8	38.2	84.9	38.8
1953	86.6	38.1	4.7	2.9	38.1	83.8	39.1
1954	83.7	36.9	4.9	2.9	36.6	81.3	38.5
1955	80.0	36.5	4.5	3.0	36.0	80.0	39.2
1956	71.5	33.0	4.3	2.9	35.5	75.7	37.4
1957 1/	69.5	32.0	4.0	2.8	34.2	73.0	36.0
	Fiscal year						
Year ending June							
1953	92.3	38.5	4.9	2.8	37.5	83.7	38.1
1954	83.1	37.6	4.7	2.9	37.5	82.7	39.0
1955	85.0	36.5	4.8	3.0	36.5	81.1	39.0
1956	74.0	34.0	4.3	2.9	36.1	77.3	38.4
1957	68.9	32.3	4.1	2.8	34.1	73.3	36.5

1/ Preliminary estimate.
Basic data but not the estimates compiled from reports of the Internal Revenue Service.

Table 8.—Disposable personal income, consumer expenditures for tobacco products, and percentages, 1939-56

Year	Disposable personal income	Consumer expenditures for tobacco products				Tobacco product expenditures as percentage of disposable personal income			
		Total	Cigarettes	Cigars	Other 1/	Total	Cigarettes	Cigars	Other 1/
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Percent	Percent	Percent	Percent
1939	70,444	1,767	1,207	261	299	2.51	1.71	.37	.43
1940	76,076	1,883	1,316	265	302	2.48	1.73	.35	.40
1941	92,982	2,108	1,518	284	306	2.27	1.63	.31	.33
1942	117,516	2,381	1,773	305	303	2.03	1.51	.26	.26
1943	133,547	2,677	2,024	358	295	2.00	1.51	.27	.22
1944	146,761	2,717	2,025	402	290	1.85	1.38	.27	.20
1945	150,355	2,972	2,208	443	321	1.98	1.47	.30	.21
1946	159,182	3,478	2,656	542	280	2.18	1.66	.34	.18
1947	169.016	3,869	3,044	547	278	2.29	1.80	.32	.17
1948	187,601	4,147	3,308	548	291	2.21	1.76	.29	.16
1949	188,157	4,252	3,440	519	293	2.26	1.83	.28	.15
1950	206,130	4,401	3,592	511	298	2.14	1.74	.25	.15
1951	226,069	4,701	3,885	526	290	2.08	1.72	.23	.13
1952	237,374	5,092	4,253	548	291	2.14	1.79	.23	.12
1953	250,235	5,310	4,471	562	277	2.12	1.79	.22	.11
1954	254,463	5,228	4,404	550	274	2.06	1.73	.22	.11
1955	270,189	5,385	4,544	571	270	1.99	1.68	.21	.10
1956	287,202	5,681	4,840	587	254	1.98	1.69	.20	.09

1/ Smoking, chewing, and snuff.
Basic data, United States Department of Commerce.

Exports of chewing tobacco ranged between about 1.6 and 2.1 million pounds annually from 1952 to 1956. Last year's total shipments were 1 2/3 million pounds. Twist and plug are the principal categories exported. During January-July 1957, exports of chewing tobacco were over 0.9 million pounds--9 percent above the like months of 1956. The principal destinations were Australia, Philippine Republic, Panama and French Pacific Islands.

Snuff

The 1957 output of snuff is estimated at about 36 million pounds--over a million less than in 1956 and the smallest since the mid-1930's. In the 10 years before 1956, snuff output ranged between 39 million and 41 million pounds. The successive drops in the last 2 years mark a departure for this usually highly stable product. Although per capita snuff consumption has

been falling gradually for many years as population increased, total consumption was maintained. Snuff users are found in greatest numbers in the South and Northwest, and in occupations where smoking is hazardous. Almost the entire output is consumed domestically and exports are negligible.

According to the Bureau of Labor Statistics index, wholesale prices of snuff rose 10 percent from May to June of this year--the first significant advance in several years.

EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

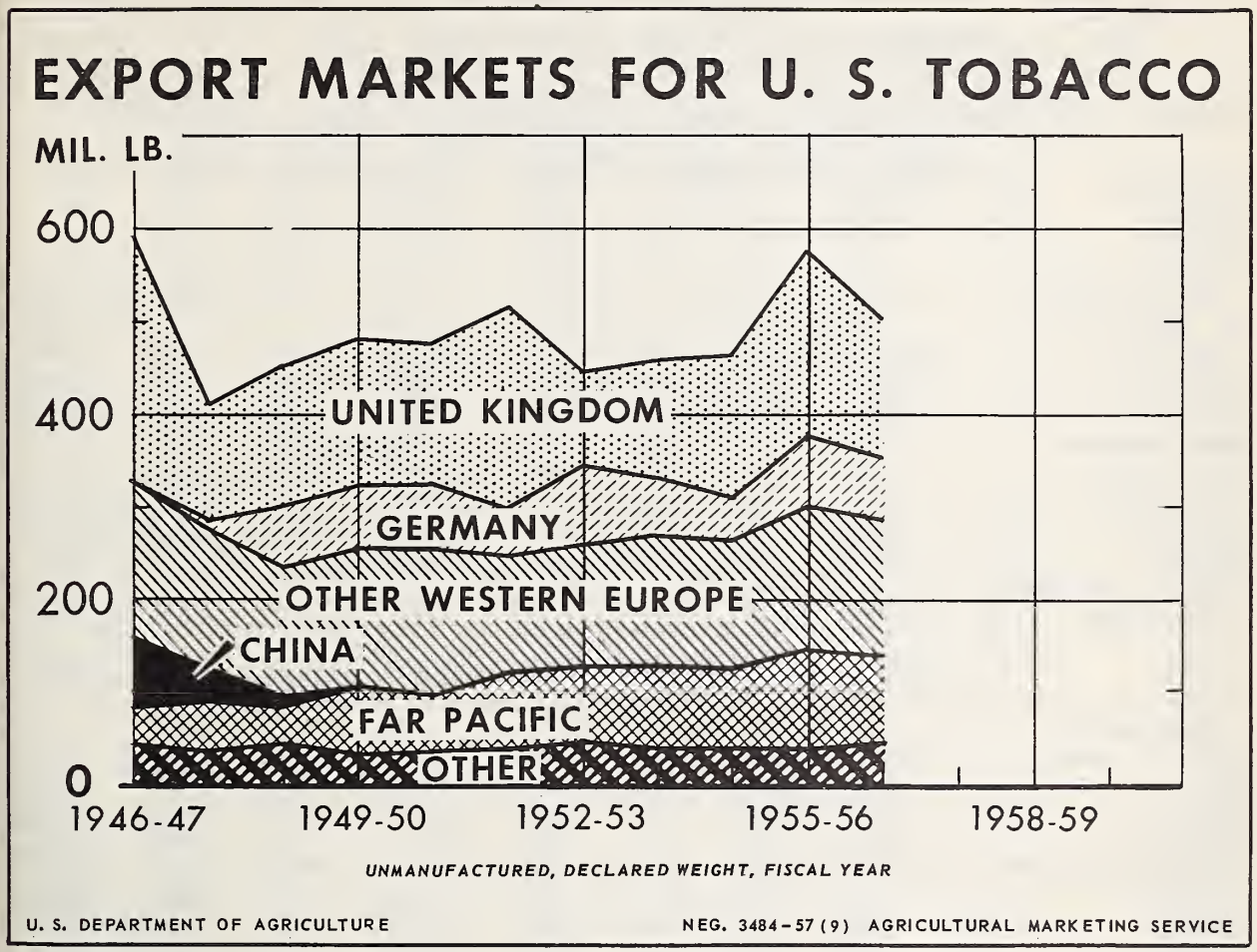
Exports of unmanufactured tobacco in calendar 1957 are expected to be around 475 million pounds--about 7 percent below 1956 and 2 percent below the 1951-55 average. During the first 8 months of 1957, total exports of tobacco were about 4 percent below those in the like period of 1956. Flue-cured, the main export tobacco, is auctioned in the latter half of the year and the heaviest export shipments usually occur in the last 4 months of the year. The small size of this year's crop of flue-cured and the marked advance in prices of certain grades sought by some foreign buyers will tend to reduce export purchases from the current crop. But total flue-cured supply including old crop tobacco is large and some export purchases from stocks are anticipated. Total supplies of other kinds of tobacco also are ample although particular grades, especially in burley, are short.

Cigarette production and consumption in several countries of the world continued to increase, according to scattered data for early 1957.

The gold and dollar position of most of the countries of Western Europe at the end of March was not greatly different than a year earlier, with one or two exceptions. Gold and dollar holdings of Germany continued to increase but those of France declined. Gold and dollar holdings of the sterling area, held in London, at the end of July were moderately lower than a year earlier. Dollar value of general imports of all commodities into the United States during the first 7 months of 1957 exceeded the record rate of a year earlier by 2½ percent. United States imports are the principal means by which foreign countries earn dollars to buy United States export commodities.

In the past 2 fiscal years, tobacco exports have been significantly aided by P.L. 480 programs under which sales are made for foreign currencies under certain conditions. P.L. 480 shipments of tobacco through June 1957 totaled 133 million pounds--nearly one-eighth of total tobacco exports in the past 2 years. Under agreements signed by June 30, another 22 million pounds remained to be shipped. With this amount, agreements with 19 countries as of June 30 provided for total sales of about 155 million pounds of tobacco worth

1/ Quantities of tobacco in this section are stated in terms of export weight, which is less than the equivalent farm-sales weight.



Exports of unmanufactured tobacco in 1956-57, at 501 million pounds (equivalent to 559 million, farm-sales weight), were 13 percent lower than in 1955-56, though 3 percent above the recent 10-year average. Britain took 27 percent less than the larger-than-usual amount that went there in 1955-56. German takings dropped 9 percent and shipments to other western European countries averaged 4 percent lower. Tobacco exports to far Pacific countries fell 12 percent, largely because of the drastic cutback in imports by the Philippine Republic.

Sales for foreign currencies (P.L. 480 shipments) accounted for 11 percent of total unmanufactured tobacco exports in 1956-57, and 14 percent in 1955-56.

Table 9.--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods
(Declared weight)

Country and type	Calendar year			Year Ending June 30		January-July		
	Average 1924-28	Average 1934-38	Average 1951-55	1956 1/	1957 1/	1956 1/	1957 1/	1957 as percentage of 1956
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent
Flue-cured	2/324.0	324.9	405.6	491.1	411.6	172.6	172.3	100
Burley	8.9	11.6	27.7	30.2	28.3	16.4	14.1	86
Maryland	14.3	5.5	7.8	11.6	12.0	6.9	6.8	99
Va. fire-cured and sun-cured	22.6	9.7	4.5	5.2	4.3	2.6	2.5	96
Ky. and Tenn. fire-cured	2/126.6	53.7	22.6	23.1	23.6	14.6	12.5	86
Green River	15.8	3.0	2.0	.7	1.4	.8	.7	88
Black Fat, etc.	2/2.0	9.0	4.4	4.8	4.4	2.5	2.3	92
Cigar wrapper	)		3.6	4.5	4.0	2.4	2.7	112
Cigar binder	).8	1.3	2.4	2.4	2.6	1.2	.7	58
Cigar filler	)		.5	.5	.5	.3	3/	---
One Sucker	3/	.7	1.7	.2	3.6	.2	1.3	650
Perique	2/.1	.1	.1	.1	.1	.1	.1	100
Stems, trimmings, and scrap	12.0	17.8	3.3	3.3	4.3	1.9	2.2	116
Total	527.1	437.3	486.2	577.7	500.7	222.5	218.2	98
Country of Destination:								
United Kingdom	164.8	213.9	158.3	203.6	148.4	39.5	37.0	94
France	34.6	21.0	8.4	6.5	7.2	4.1	4.8	117
Belgium	21.1	15.5	19.1	24.2	18.6	12.0	8.6	72
Netherlands	31.5	15.6	33.5	34.3	29.9	16.0	14.6	91
Germany, W. & E.	34.0	12.8	60.4	73.3	66.6	46.8	47.0	100
Portugal	4.4	4.8	6.4	6.7	6.8	6.8	4.1	60
Denmark	5.2	4.6	10.5	12.7	13.2	5.4	6.2	115
Ireland	3.8	7.4	15.7	11.7	10.3	3.5	3.6	103
Switzerland	2.8	3.8	11.5	14.0	12.8	7.8	6.9	88
Norway	4.1	4.7	7.4	8.5	8.9	4.5	4.8	107
Sweden	4.7	7.2	11.8	11.2	12.0	3.0	7.2	240
Italy	7.8	1.1	3.8	5.5	9.6	3.1	4.7	152
Hong Kong	.9	1.6	4.0	3.6	4.0	2.1	2.3	110
Australia	21.5	18.4	26.2	30.7	28.3	3.7	8.9	241
India	5.4	2.6	2.9	.8	2.3	.7	1.1	157
Pakistan			1.9	2.3	4.5	1.5	2.9	193
New Zealand	.6	2.5	6.5	6.7	6.0	4.5	3.2	71
Philippine Rep.	.5	1.2	20.2	13.7	.9	2.2	3/	---
Indonesia	5.8	2.0	11.8	10.6	18.1	6.8	6.6	97
Japan	1.1	7.3	8.6	12.7	7.0	3/	1.3	---
Other countries	4/172.5	4/89.3	57.3	84.4	85.3	48.5	42.4	87
Total	527.1	437.3	486.2	577.7	500.7	222.5	218.2	98

1/ Preliminary. 2/ Partially estimated. 3/ Less than 50,000 pounds. 4/ China averaged 93 million pounds in 1924-28 and 48 million in 1934-38.

Compiled from publications and records of the Bureau of the Census.

Table 10.- Tobacco exports under P.L. 480 programs and totals by countries, 1955-56 and 1956-57 1/

Country	July 1955-June 1956			July 1956-June 1957		
	P.L. 480 exports	Regular exports	Total	P.L. 480 exports	Regular exports	Total
	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.
United Kingdom 1/	41.9	161.7	203.6	0	148.4	148.4
Indonesia	1.0	9.6	10.6	17.8	.3	18.1
Italy	4.2	1.3	5.5	6.1	3.5	9.6
Japan	6.6	6.1	12.7	3.2	3.8	7.0
Finland	3.9	3.0	6.9	5.8	1.1	6.9
Korea	6.1	0	6.1	2.4	0	2.4
Spain 2/	3.6	2.8	6.4	3.0	3.3	6.3
Pakistan 1/	1.8	.5	2.3	3.3	1.2	4.5
Austria	5.3	3.1	8.4	.3	3.1	3.4
France	.9	5.6	6.5	3.5	3.7	7.2
Thailand	2.6	6.9	9.5	.4	8.4	8.8
Taiwan	0	2.6	2.6	1.9	1.0	2.9
Burma	0	0	0	1.1	0	1.1
Israel 1/	.6	0	.6	0	.3	.3
Chile	0	.2	.2	.3	0	.3
Ecuador 2/	.2	0	.2	.1	.2	.3
Brazil	.1	.1	.2	0	3.2	3.2
Total above countries	78.8	203.5	282.3	49.2	181.5	230.7
Total all countries 3/			577.7			500.7

1/ Prior to 1955-56 PL 480 shipments totaled 5.4 million pounds--4.7 to United Kingdom; 0.6 million to Pakistan and 81,000 to Israel. 2/ Includes manufactured tobacco in bulk form. 3/ Unmanufactured tobacco.

111 million dollars. In August the Congress extended the program's cutoff date one year to June 30, 1958 and increased the fund authorization by one billion dollars. During the current fiscal year, new P. L. 480 agreements providing for the sale of tobacco are in prospect.

Foreign Producing and Exporting Countries

This year's flue-cured tobacco output of 486 million pounds in principal foreign surplus producing countries is 8 percent below the record production in 1956. The Brazilian crop is larger, but production in the Federation of Rhodesia and Nyasaland is down 17 percent and in Canada, down about 15 percent. Production of oriental tobacco in Greece and Turkey, the major producing countries, is 3 percent higher than in 1956.

The flue-cured crop harvested in early 1957 in the Federation of Rhodesia and Nyasaland (comprising Southern and Northern Rhodesia and Nyasaland) is estimated at 147 million pounds. Although 31 million pounds below last year's record crop, 1957 production exceeds that of any other previous year. During the marketing season through mid-August, nearly 120 million pounds of Southern and Northwestern Rhodesian flue-cured tobacco were auctioned, at an average price equivalent to 47.2 U. S. cents per pound. In the comparable marketing period of 1956 when sales were suspended for one week, 110 million pounds were sold at an average price equivalent to 39.7 U. S. cents per pound. United Kingdom purchases from the current flue-cured crop totaled about 62 million pounds as of August 1, equal to 57 percent of total sales. In the first 6 months of 1957, the Federation exported 56 million pounds of unmanufactured tobacco, mainly flue-cured. As usual, the United Kingdom was the principal destination, taking three-fifths of total shipments. Australia was the next ranking outlet. Sizable quantitites went to Netherlands, West Germany, Belgium and Denmark. Lesser quantities went to Portugal, Norway, France, Austria and Sweden.

Canada's 1957 flue-cured crop is now estimated at 130-135 million pounds, approximately 15 percent less than harvested in 1956. Unfavorable weather and blight reduced the crop from the 165 million-pound figure estimated earlier. The largest previous crop was 173 million pounds, obtained in 1954. Although growers in Ontario, the principal producing area did not fully plant their base acreage as authorized by the Ontario Flue-Cured Tobacco Marketing Association, total acreage of about 128,000 planted to flue-cured in 1957 was up 9 percent from 1956. The average price received for the 1956 flue-cured crop was a record 46.1 (Canadian) cents a pound, eight-tenths of a cent higher than for the 1955 crop. These prices do not include an additional payment of 2 cents a pound made to flue-cured growers in Ontario and British Columbia (a minor producing area) for grading and tying. In the first 4 months of 1957, Canada exported about 24½ million pounds of unmanufactured tobacco (practically all flue-cured), one-fourth more than the total shipped in the like period of 1956. Commonwealth destinations, principally United Kingdom and Australia, accounted for 95 percent of the total. Of Western European destinations, West Germany and Belgium took more than in January-April 1956; Netherlands took less.

Table 11.--Production of flue-cured and oriental tobacco in specified countries for specified periods

Country	Year of harvest					
	Average 1935-39	Average 1949-53	1954	1955	1956	1957 1/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
	Flue-cured					
Brazil	12.5	43.4	56.2	55.1	64.5	76.1
Canada	54.6	126.6	173.2	118.2	157.5	135.0
India	26.9	91.9	127.7	116.5	127.7	128.0
Fed. of Rhodesia and Nyasaland	28.4	108.7	133.2	133.2	177.7	146.8
Total, countries shown	122.4	370.6	490.3	423.0	527.4	485.9
	Oriental					
Greece	132.8	120.7	148.8	222.9	181.1	186.5
Turkey	128.1	208.2	214.3	250.7	252.1	260.8
Total, countries shown	260.9	328.9	363.1	473.6	433.2	447.3

1/ Preliminary.

Compiled from reports of Foreign Agricultural Service and Tobacco Intelligence, Commonwealth Economic Committee, London, England.

The 1957 flue-cured crop in Brazil is estimated at 76 million pounds, 18 percent more than harvested last year and a new record. Production of flue-cured in Brazil has increased much more rapidly than that of other kinds. India's 1957 flue-cured crop, estimated at 128 million pounds, is about as large as that obtained in 1956. The quality, however, is reportedly lower than average, due to heavy rains and other unfavorable weather. India exported 94 million pounds of unmanufactured tobacco in 1956, 6 percent less than in the previous year. Consignments to the United Kingdom accounted for about one-third of the total; those to other Commonwealth destinations, for one-tenth. Western European countries taking considerable quantities were Netherlands, Belgium, France and West Germany. Smaller shipments went to Austria and Denmark.

Turkey's production of oriental tobacco in 1957, estimated at 261 million pounds, is 3 percent larger than last year and slightly above the previous record crop of 1953. In the first 6 months of 1957, exports of unmanufactured tobacco at 124 million pounds were 23 million more than in January-June 1956. The United States, the leading destination, took 57 million pounds, 40 percent more than in the first half of 1956. Other major export markets included West Germany, Italy, Egypt, France, Austria and the following East European countries: East Germany, Poland, Czechoslovakia, Soviet Union and Yugoslavia.

Production of oriental tobacco in Greece in 1957 is estimated at about 186 million pounds, 3 percent more than in 1956 but one-sixth below the 1955 record crop. Exports in January-June 1957 at nearly 61 million pounds were about twice those in the same period of a year earlier. West Germany took about a fourth of the total, and the United States, nearly one-fifth. Other major outlets included Austria, Italy, Egypt, Belgium, France and Finland. Considerable quantities also went to the Soviet Union, Hungary and Czechoslovakia.

British Tobacco Situation

The United Kingdom is the leading tobacco importing country and the largest single foreign outlet for United States tobacco. The United Kingdom imports leaf tobacco not only for home consumption but also for subsequent export, mostly in the form of cigarettes. The volume of cigarettes exported exceeds that of the United States.

Gross clearances of tobacco from bond in the United Kingdom are an approximate measure of home use and exports combined. The 1956 gross clearances at nearly 300 million pounds (dry weight) were a half of one percent larger than in 1955, and rose another 3 percent in the first half of 1957. British home consumption during the first half of 1957 was up but exports were down somewhat. Leading destinations for British-made cigarettes were Singapore, Malaya, West Germany, Hong Kong, New Zealand, Aden and France. Cigarette exports to Ghana and Belgian Congo--usually two of the leading outlets--declined sharply, and less went to Singapore and West Germany.

This year in Britain as in the United States there has been a great deal of publicity concerning the possible role cigarettes play in causing lung cancer. Whether the publicity affects consumption remains to be seen.

During 1956, gross clearances of nearly 268 million pounds of flue-cured tobacco originating from the four major suppliers accounted for about nine-tenths of total tobacco clearances. About 54 percent of the 1956 flue-cured clearances was United States tobacco; 23 percent, Rhodesian; 13 percent, Indian; and 10 percent, Canadian. During January-May 1957 compared with the like period of 1956, clearances of United States and Canadian flue-cured increased 4 to 5 percent while even larger percentage increases were indicated for Rhodesian and Indian flue-cured. The January-May gross clearances of

Table 12.--United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports 1/			Stocks Dec. 31	Gross clearances from bond 3/			Exports of manufactured tobacco	Re-exports of unmanufactured tobacco
	From U. S. 2/	From Commonwealth countries 2/	Total		Non-preferential 2/	Preferential 2/	Total		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average									
1934-38	213	57	275	497	185	47	232	39	12
1939-45	182	63	255	310	215	62	277	27	5
1946	366	62	433	383	261	61	322	55	7
1947	201	82	296	384	235	57	292	52	1
1948	172	97	281	390	204	67	271	45	1
1949	154	119	302	419	190	81	271	47	2
1950	144	146	306	445	180	91	271	43	4
1951	212	131	355	498	183	104	287	51	7
1952	67	143	224	430	172	108	280	47	12
1953	174	127	316	452	167	116	283	45	9
1954	160	139	312	468	168	122	290	41	4
1955	179	150	344	507	173	125	298	44	4
1956 4/	160	147	318	522	173	127	300	45	3
January July									
1953	75	57	140	5/399	6/84	6/57	6/141	27	7
1954	29	64	102	5/388	6/82	6/61	6/143	25	3
1955	40	84	134	5/417	6/84	6/60	6/144	26	2
1956	48	59	115	5/455	6/86	6/63	6/149	25	1
1957 4/	40	76	120	5/462	6/85	6/68	6/153	24	2

1/ Unmanufactured tobacco. 2/ Since 1946 the full duty rate on tobacco from the United States and other nonpreferential areas has been about 3 percent above the preferential rate on tobacco from Commonwealth areas. In the prewar period, the full duty rate was over 25 percent above the preferential rate. 3/ Largely withdrawals for manufactures for home use and export. 4/ Subject to revision. 5/ June 30. 6/ January-June.

Compiled from the Annual Statement of Trade and Accounts Relating to Trade and Navigation of the United Kingdom.

Table 13.--Unmanufactured tobacco imports into the United Kingdom from major sources, average 1935-39, annual 1948-57

Year ending June 30	United States	Rhodesia and Nyasaland	India	Canada	Turkey	Greece	Other	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average 1935-39	210.6	28.4	18.1	12.3	0.6	0.6	4.5	275.1
1948	130.7	46.0	21.8	13.1	1.2	.1	2.6	215.5
1949	147.5	56.3	32.5	13.0	25.4	5.6	3.9	284.2
1950	162.4	64.9	46.6	15.0	13.7	1.3	5.5	309.4
1951	146.7	82.6	42.1	20.2	1.9	1.0	6.9	301.4
1952	223.1	62.0	43.8	36.2	1.9	1.2	10.8	379.0
1953	105.0	74.0	32.3	12.4	1.2	.8	14.7	240.4
1954	127.4	69.4	34.0	32.3	2.1	1.0	14.6	280.8
1955	151.9	82.7	36.1	40.2	3.5	1.6	10.9	326.9
1956	208.5	60.8	40.2	21.1	3.3	1.9	9.7	345.5
1957	148.6	91.6	36.0	30.4	2.2	.1	7.5	316.4
	Percentage change							
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Average 1935-39 to 1957	-29.4	222.5	98.9	147.2	266.7	-83.3	66.7	15.0
1956 to 1957	-28.7	50.7	-10.4	44.1	-33.3	-94.7	-22.7	-8.4
	Percentage distribution							
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Average 1935-39	76.6	10.3	6.6	4.5	.2	.2	1.6	100.0
1948	60.6	21.3	10.1	6.1	.6	---	1.3	100.0
1949	51.8	19.8	11.4	4.6	8.9	2.0	1.5	100.0
1950	52.5	21.0	15.1	4.9	4.4	.4	1.7	100.0
1951	48.6	27.4	14.0	6.7	.6	.3	2.4	100.0
1952	58.9	16.4	11.5	9.6	.5	.3	2.8	100.0
1953	43.7	30.8	13.4	5.2	.5	.3	6.1	100.0
1954	45.4	24.7	12.1	11.5	.7	.4	5.2	100.0
1955	46.5	25.3	11.0	12.3	1.1	.5	3.3	100.0
1956	60.4	17.6	11.6	6.1	1.0	.5	2.8	100.0
1957	47.0	28.9	11.4	9.6	.7	---	2.4	100.0

Nyasaland fire- and air-cured tobacco were down a little from those in the like period of 1956. Much less Turkish cleared from bond although clearances of Greek oriental tobacco increased. The January-May 1957 total clearances of oriental tobacco were about 30 percent less than in the period a year earlier.

British imports of unmanufactured tobacco in the year ended June 30, 1957 totaled 316 million pounds--8 percent less than in 1955-56. Imports from the United States were down 29 percent from 1955-56, when they were boosted by the substantial quantity acquired under the P.L. 480 program. Imports from Rhodesia and Nyasaland were over 50 percent above the 1955-56 figure and a record high. (See table 13).

Stocks of tobacco in the United Kingdom at the end of June 1957 totaled 462 million pounds--1½ percent above a year earlier although over one-tenth larger than 2 years earlier. Stocks amounted to about 18 months' use as represented by July 1956-June 1957 gross clearances while 2 years ago stocks amounted to about 16½ months' use. At the end of May, British stocks of United States flue-cured at 234 million pounds were the same as a year earlier. Stocks of Rhodesian and Canadian flue-cured at 92 million and 44 million pounds were up 19 percent and 3 percent, respectively, while stocks of Indian flue-cured at 46 million pounds were down 7 percent from a year earlier. May 31 stocks of Nyasaland fire-cured were 5 percent above a year earlier but stocks of air- and sun-cured were down 12 percent. British stocks of Greek oriental tobacco were reduced sharply compared with a year earlier and stocks of Turkish oriental tobacco were moderately smaller.

UNITED STATES IMPORTS AND STOCKS OF FOREIGN GROWN TOBACCO 2/

Foreign grown tobacco is imported into this country mainly for blending with domestic types in the manufacture of cigarettes and cigars. Total tobacco imports for consumption in the year ended June 30, 1957 were a record 122 million pounds, 6 percent above a year earlier. Almost three-fourths of it was cigarette leaf and nearly all of the rest for use in cigars.

Cigarette leaf imports during 1956-57 totaled 89½ miliion pounds, 5 percent more than in 1955-56. As of July 1, 1957, stocks of foreign-grown cigarette and smoking tobacco in the United States were 208½ million pounds--7 percent above a year earlier and the largest ever held at midyear.

In the year ended June 30, 1957, 25 million pounds of cigar tobacco were imported from Cuba, the principal source. This was only slightly more than in 1955-56; less stemmed and unstemmed filler came in, but this was more than offset by increased amounts of scrap, wrapper, and stems, not cut, ground, or pulverized. Imports of the stems jumped significantly in the last year or two. The July 1 stocks of Cuban tobacco at 16.8 million pounds was 3 percent above a year earlier but practically the same as 2 years earlier.

2/ Imports of tobacco for consumption are on a declared-weight basis, and stocks are on an unstemmed-equivalent basis.

Table 14.- United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

(Declared weight)

Classification and country of origin	Calendar year			Year ending June 30		January-June		
	Average 1924-28 1/	Average 1934-38	Average 1951-55	1956 2/	1957 2/	1956 2/	1957 2/	1957 as percentage of 1956
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Cigarette leaf								
Unstemmed:								
Turkey	13.1	18.2	55.7	59.8	60.8	31.0	30.3	98
Greece	20.1	18.8	14.9	18.4	20.8	9.2	11.2	122
Syria	.2	.5	3.3	2.0	1.3	.9	.6	67
Italy	10.8	4.7	1.3	1.5	1.5	.9	.6	67
Cyprus	0	.1	.2	.3	.2	.3	.2	67
Yugoslavia	0	0	1.6	2.4	3.9	.9	1.9	211
Total 3/	46.1	44.4	79.7	85.3	89.5	43.7	45.2	103
Cigar leaf (filler)								
Cuba:								
Stemmed	13.8	7.1	9.7	9.1	8.7	4.9	4.4	90
Unstemmed	7.8	4.1	4.4	4.0	3.1	2.0	1.3	65
Philippines, Rep.								
Stemmed	1.7	4/	.1	5/	.5	5/	.1	---
Unstemmed			.2	.5	.0	.5	.0	---
Total 3/	22.4	11.3	14.9	13.6	12.4	7.4	5.8	78
Scrap:								
Cuba	1.8	2.9	8.4	10.7	11.3	5.9	5.9	100
Philippines, Rep.	0	4/3.2	1.5	3.9	6.5	2.1	3.0	143
Total 3/	1.9	6.1	9.9	14.6	17.8	8.0	8.9	111
Cigar wrapper (unst.)								
Indonesia	6/6.1	6/1.9	.6	.2	.1	.1	.1	100
Cuba	.1	.2	.4	.5	.6	.3	.3	100
Total 3/	6.3	2.1	1.0	.8	.7	.4	.4	100
Stems 7/								
Cuba	n.a.	.0	.2	.5	1.3	.2	.7	350
United Kingdom		1.7	.5	.5	.4	.3	.2	67
Total 3/	1.6	2.4	.7	1.0	1.7	.5	.9	180
Total imports	78.3	66.3	106.2	115.3	122.1	60.0	61.2	102

1/ General imports. 2/ Preliminary. 3/ Includes relatively small quantities from other countries not separately listed. 4/ Reported as leaf in 1934-35 and as scrap in 1936-38. 5/ Less then 50,000 pounds. 6/ From Netherlands Indies or Netherlands. 7/ Not cut, ground, or pulverized.

Compiled from publications and records of the Bureau of the Census.

Imports of tobacco from the Philippine Republic in 1956-57 were sharply higher than in 1955-56 and probably the second largest for any year. July 1 stocks of Philippine tobacco in this country were 7.1 million pounds--70 percent above a year earlier and far above those for any previous July except in 1940-41.

Imports of Indonesian tobacco have dwindled. Stocks on July 1 totaled about 124,000 pounds.

OUTLOOK AND SITUATION FOR TOBACCO LEAF

Flue-Cured, Types 11-14

Domestic Use and Exports

Domestic use of 705 million pounds of flue-cured during July 1956-June 1957 was 3 percent lower than in 1955-56 and the smallest since 1947-48. Despite the drop, manufacturers produced 4 percent more cigarettes than in 1955-56 and except for 1952-53 the largest number on record. The discussion on page 8 explains why more cigarettes are being produced with less tobacco leaf.

Whether domestic use of flue-cured continues to decline depends primarily on (1) the level of cigarette consumption; (2) whether filter tip brands and cigarettes of smaller dimensions make up a larger proportion of total output; and (3) the extent to which greater use is made of processed sheet and stems.

The 1956-57 exports of flue-cured at 465 million pounds (farm-sales weight) were 16 percent smaller than the near record level of 1955-56. But foreign takings were 8 percent above each of the 2 previous years and the third largest in the past 10 years. Shipments under P.L. 480 programs have contributed significantly to exports in the past 2 years and will again aid exports in 1957-58.

Exporters will need to draw upon the large carryover stocks if exports are to be maintained near the average of recent years. This year's small crop is bringing considerably higher prices than in recent years which will tend to discourage export purchases from the current crop.

During 1956-57, the United Kingdom took 28 percent less United States flue-cured than the large 1955-56 amount although nearly as much as in 1954-55. British purchases made up a third of this country's flue-cured exports in 1956-57. West Germany, ranking second and accounting for over an eighth of the total, took 12 percent less in 1956-57 than in 1955-56. Flue-cured shipments to Australia, the third ranking outlet, were 8 percent less than the 1955-56 record and were about the same as in 1954-55. Netherlands, ranking fourth, reduced her takings 15 percent below 1955-56 and the least in 5 years. Flue-cured going tc Indonesia, the fifth ranking outlet in 1956-57,

was more than in any previous year--a 53 percent jump over 1955-56. The next five outlets according to volume taken were Belgium, Sweden, Denmark, Ireland and Thailand. Belgium and Ireland took about a fourth and an eighth less, respectively, than a year earlier. Shipments to Denmark and Thailand were 3 percent and 7 percent, respectively, below 1955-56. Swedish takings hit a new high in 1956-57, nearly double the previous year. Exports to the Philippine Republic dropped to less than a half million pounds compared with an annual average of 19 million pounds for the preceding 5 years. Other important destinations that took less in 1956-57 than in 1955-56 were New Zealand, Egypt, Austria, Spain and Nigeria. Shipments increased to Indochina, Switzerland, Pakistan, India, Hong Kong, France, Italy and Taiwan, but about the same quantities as a year earlier went to Finland, Norway, Portugal and Mexico.

1957-58 Supply

Carryover of flue-cured or July 1, 1957 totaled 2,511 million pounds, 11 percent above a year earlier and 22 percent above 2 years earlier. The September 1 estimate of production is 935 million pounds, 34 percent lower than last year's harvestings and the smallest crop in 14 years. Acreage is about a fourth less than in 1956 and the smallest in 25 years. The reduction is primarily due to the cut in acreage allotments to about a fifth below last year and the placing of acreage in the "reserve" under the Soil Bank program. Indicated yields per acre as of September 1 were 13 percent below last year's extremely high average, although still above any previous year except 1955.

The 1957-58 total supply--carryover plus this year's crop--at 3,446 million pounds is 6 percent smaller than the record 1956-57 level. The supply is still close to 3 times prospective disappearance compared with 2½ times for the 5-year average prior to 1955-56. Carryover by July 1, 1958 may be reduced to around 2,300 million pounds--perhaps 8 or 9 percent below the record level of last July.

The 1958 marketing quota and acreage allotment for flue-cured will be announced by the Secretary of Agriculture by December 1. The Soil Bank program will again be available to flue-cured growers in 1958. About 6 percent of 1957 allotted acreage of flue-cured was placed in the acreage reserve under this program.

Price Support and Prices

The 1958 crop of flue-cured tobacco will be supported at 90 percent of parity as provided by law when marketing quotas are in effect. For the 1957 crop now being marketed, price support is 50.8 cents per pound--3.9 percent more than in 1956. The rise in support level mainly reflects the increase in the index of prices paid by farmers between mid-1956 and mid-1957.

Table 15.--Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, July 1	Supply	Disappearance 1/ Total	Disappearance 1/ Domestic	Disappearance 1/ Exports	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	741	845	1,586	704	338	366	22.9
1941-45	902	1,349	2,251	992	617	375	38.5
1946	1,352	1,147	2,499	1,212	659	553	48.3
1947	1,317	1,287	2,604	1,054	695	359	41.2
1948	1,090	1,550	2,640	1,102	720	382	49.6
1949	1,115	1,538	2,653	1,168	729	439	47.2
1950	1,257	1,485	2,742	1,185	757	428	54.7
1951	1,453	1,557	3,010	1,279	777	502	52.4
1952	1,365	1,731	3,096	1,244	828	416	50.3
1953	1,272	1,852	3,124	1,209	778	431	52.8
1954	1,314	1,915	3,229	1,173	744	429	52.7
1955	1,483	2,056	3,539	1,281	728	553	52.7
1956	1,423	2,258	3,681	1,170	705	465	51.5
1957 2/	935	2,511	3,446				

	Parity price 3/	Price support level	Placed under Government loan: Quantity	Placed under Government loan: Percentage of crop	Remaining in Government loan stocks on August 31, 1957 4/
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1946	35.7	32.1	66.5	4.9	0
1947	44.4	40.0	232.3	17.6	0
1948	48.8	43.9	106.1	9.7	0
1949	47.2	42.5	103.5	9.3	0
1950	50.0	45.0	77.6	6.2	0
1951	56.3	50.7	142.2	9.8	0
1952	56.2	50.6	5/165.0	12.1	6/13.0
1953	53.2	47.9	151.4	11.9	6/12.0
1954	53.2	47.9	130.3	9.9	40.0
1955	53.7	48.3	298.9	20.2	250.5
1956	54.3	48.9	319.9	22.5	307.0
1957	56.5	50.8	7/	7/	7/
Total	---	---	1,793.7	---	6/622.5

1/ Year beginning July 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures. 5/ An additional 78.4 million pounds under option to British manufacturers were pledged for CCC loans, but were purchased and shipped by mid-1953. 6/ All 1952-53 tobacco has been sold. 7/ Through mid-September, 23 million pounds, 4 percent of deliveries placed under loan.

The 1956 auction market prices for all types of flue-cured combined through September 20 averaged 56.4 cents per pound compared with 51.8 cents per pound in the comparable period of 1956. Demand has been strong. In general, the usually lower-priced grades have advanced the most in price, thus greatly narrowing price differentials among grades. Representative prices for leaf, smoking leaf and priming grades rose considerably more than most prices for cutter and lug grades. However, about mid-September prices of heavier bodied grades in the upper Belts showed signs of receding a little.

Auction market volumes and prices in the five Belts through September 20 this year and last are as follows:

	1956	1957	1956	1957
	Mil. lb.	Mil. lb.	Ct. per lb.	Ct. per lb.
Ga.-Fla., type 14 (sales finished)	183	120	48.0	55.9
S. C. and Border N. C., type 13	288	250	53.7	59.2
Eastern N. C., type 12	220	222	52.2	53.9
Middle Belt, type 11(b)	28	42	53.3	55.0
Old Belt, type 11(a)	*	25	*	55.7

*Markets opened September 24 in 1956.

In the Georgia-Florida Belt, marketings this year ran from July 18 through August 16. The volume was down by more than one-third while prices averaged one-sixth higher than last season and above any previous season. Growers placed about 1 million pounds under Government loan in this Belt. This was less than 1 percent of market deliveries and far less than for any season in the past decade. General quality of the crop improved slightly over that of last year.

In the Border Belt where auctioning begin July 30, marketings were nearly completed by September 20. The price average for sales through this date was 10 percent higher than in the comparable period of last season. Receipts under Government loan were comparatively small, about 4 percent of total market deliveries, and the smallest for any season in the postwar period.

In the Eastern Belt where auctions started August 15, prices through September 20 averaged 3 percent higher than in the same period of last year when sales began August 23. Receipts under Government loan through mid-September comprised about 4 percent of market deliveries. This is far less than in any previous postwar year.

In the Middle Belt where auctions opened August 29, prices through September 20 averaged 3 percent higher than in the same period of last year when sales began September 10. Receipts under Government loan have averaged only about 5 percent of market deliveries thus far--much less relatively than in any previous postwar year.

In the Old Belt, where auctions opened September 10, prices through September 20 (9 sale days) were 11 percent higher than early season prices last year when these markets opened September 24.

Burley, Type 31

Domestic Use and Exports

Disappearance of burley in the October 1956-September 1957 marketing year is estimated at about 510 million pounds, a little less than a year earlier. Domestic use probably accounted for 481 million pounds, nearly the same as a year earlier. Exports at about 29 million pounds (farm-sales weight) were around 15 percent below those in each of the preceding 3 years. A large proportion of burley is used in the manufacture of cigarettes but a sizable amount goes into smoking and chewing tobacco products. It appears that the use of burley in cigarettes remained about the same as in the previous year despite the increase in number of cigarettes turned out. Reasons why more leaf was not used as cigarette output increased are pointed out on page 8.

During October 1956-July 1957 (five-sixths of the full marketing year), total burley exports were 12 percent behind those in the corresponding period of 1955-56. West Germany, the leading foreign outlet, accounted for nearly one-third and Sweden, ranking second, for another 14 percent of the 10-month total. German takings during 1956-57 were the largest in 5 years and Swedish takings were larger than in any previous year. Portugal and Belgium, usually among the major foreign outlets for burley, have taken sharply smaller quantities than in any peacetime year for a long time. Other foreign countries taking less burley in October 1956-July 1957 than in the comparable period a year earlier were Netherlands, Philippine Republic, Finland, Egypt, Switzerland, Austria and Hong Kong. Burley shipments to Mexico, France, Denmark, United Kingdom, Australia and Uruguay were ahead of those in the period a year earlier. Norway took a little more than in the same period of 1955-56. In June a substantial shipment of burley went to Italy, the first recorded in the current marketing year.

1957-58 Supply

The carryover of burley on October 1, 1957, is estimated at 1,297 million pounds, about 4 million less than a year ago although the third largest on record. The September 1 estimate of the 1957 crop is 488 million pounds, 4 percent less than last year's harvestings. Burley acreage is only about

Table 16--Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/ Total	Domestic	Exports	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	287	701	988	314	302	12	22.2
1941-45	448	730	1,178	437	424	13	40.0
1946	614	853	1,467	526	476	50	39.7
1947	485	941	1,426	524	496	28	48.5
1948	603	902	1,505	531	489	42	46.0
1949	561	974	1,535	535	494	41	45.2
1950	499	1,000	1,499	518	488	30	49.0
1951	618	981	1,599	538	506	32	51.2
1952	650	1,061	1,711	548	519	29	50.3
1953	564	1,163	1,727	529	494	35	52.5
1954	668	1,198	1,866	519	486	33	49.8
1955	470	1,347	1,817	516	482	34	58.6
1956	506	1,301	1,807	*510	*481	*29	63.5
1957 2/	488	*1,297	*1,785				

	Parity price 3/	Price support level	Placed under Government loan: Quantity	Percentage of crop	Remaining in Government loan stocks on August 31, 1957 4/
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1946	37.3	33.6	147.8	24.1	0
1947	44.8	40.3	37.7	7.8	0
1948	47.1	42.4	96.7	16.0	0
1949	44.8	40.3	39.1	7.0	0
1950	50.8	45.7	44.2	8.9	0
1951	55.3	49.8	97.3	15.7	3.1
1952	55.0	49.5	103.9	16.0	4.2
1953	51.8	46.6	102.1	17.9	42.5
1954	51.5	46.4	221.4	33.2	151.0
1955	51.3	46.2	73.1	15.6	73.0
1956	53.4	48.1	6.0	1.2	5.7
1957	57.2	5/51.5			
Total	---	---	969.3	---	279.5

1/ Year beginning October 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures. 5/ Minimum--subject to upward revision if parity price is higher as of October 1. *Preliminary estimate.

1 percent smaller than last year although the smallest since the mid-1930's. Yields per acre in Kentucky and Tennessee, the two largest producing States, were indicated as of September 1 to be a little below last year's record averages.

The 1957-58 total supply of burley--the carryover plus the new crop--will be around 1,785 million pounds, 20 to 25 million less than for 1956-57. This amounts to 3.5 times probable disappearance. This ratio was 3.6 in 1954-55 when supply was at a record high and in the 5 years just preceding, it ranged from 2.9 to 3.3. Carryover of burley on October 1, 1958 is likely to be lower than the estimated level of this year, but the drop will be small percentagewise.

The 1958 burley marketing quota and acreage allotment will be announced by the Secretary of Agriculture by February 1, 1958. The Soil Bank program will again be available to burley growers in 1958. About 2 percent of this year's allotted acreage of burley was placed in the acreage reserve under this program.

Price Supports and Prices

The 1958 crop of burley will be supported at 90 percent of parity as provided by law when marketing quotas are in effect.

For the 1957 crop, the minimum level of support (announced last April) is 51.5 cents per pound. The actual level of support for the 1957 crop will be 51.5 cents or 90 percent of the October 1 parity, whichever, is higher. The August parity for burley was at the same level as when the minimum support was calculated. The 1957 crop support will be at least 7 percent higher than last year's level.

Last year's crop brought an average 63½ cents per pound, nearly 5 cents more per pound than the 1955 crop and a record high. Only about 1 percent of the crop was placed under price-support loan.

The 1957 crop marketings are expected to begin around early December as usual. Demand is likely to be strong again in the coming marketing season.

Maryland, Type 32 3/

Domestic Use and Exports

The total disappearance of Maryland tobacco in the October 1956-September 1957 marketing year is estimated at about 38 million pounds--a little less than in 1955-56. Domestic use at close to 26 million pounds is near 1955-56. Most Maryland tobacco is utilized in cigarettes but certain grades are used in some cigars. Exports may be around a half million pounds less than last year's postwar high of 12.9 pounds (farm-sales weight).

3/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--the 12-month period, October 1 through September 30. Disappearance is calculated on the October-September basis.

During the first 10 months of 1956-57, Switzerland, accounting for a little over half of the total exports of Maryland tobacco, took 16 percent less than in the comparable period of 1955-56. West Germany, the second ranking outlet, took 19 percent more. Shipments also increased to Netherlands, Spain and France. Portugal, a new outlet for Maryland tobacco, took over a half million pounds. Less went to Belgium and none was reported going to Austria or Morocco, both of which took some in 1955-56.

1957-58 Supply

The carryover of Maryland tobacco on January 1, 1958 is likely to be near 69 million pounds, approximately a million less than last January 1. The September 1 estimate for the 1957 Maryland crop is 30 million pounds, sharply lower than last year's outturn. Acreage for harvest is the smallest since 1945 and yields per acre, according to early September indications, may drop 4 percent below the 1947-56 average. The total supply for 1957-58--carryover plus this year's crop--at approximately 99 million pounds will be down 8 percent from 1956-57 and probably the smallest since 1950-51.

The 1958 marketing quota and acreage allotment for Maryland tobacco will be announced by the Secretary of Agriculture by February 1. The Soil Bank Program will again be available to Maryland growers in 1958. About one-eighth of the 1957 allotted acreage of Maryland tobacco was placed in the acreage reserve under the Soil Bank Program.

Price Supports and Prices

The 1958 crop of Maryland tobacco will be supported at 90 percent of parity as provided by law when marketing quotas are in effect.

For the 1957 crop, the minimum level of support (announced last April) is 47.8 cents per pound. The actual level of support for the 1957 crop will be 47.8 cents or 90 percent of the October 1 parity, whichever is higher. The Maryland tobacco parity for August was at the same level as when the minimum support was calculated. The 1957 crop support level is about 2 percent higher than for the 1956 crop.

The auctions for 1956 crop Maryland tobacco took place from April 30 through August 2 of this year. The auction market average was 51.0 cents per pound, slightly above last season. The price support level for 1956 crop tobacco was 47.0 cents per pound. About one-tenth of the deliveries were placed under Government loan. In addition to the 33 1/3 million pounds auctioned, another 2.3 million pounds were received at the Baltimore hogshead market through August 2.

Table 17.--Maryland tobacco, type 32: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks following Jan. 1 1/	Supply	Disappearance 2/ Total	Disappearance 2/ Domestic	Disappearance 2/ Exports	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	27.5	38.4	65.9	26.5	21.1	5.4	19.7
1941-45	29.4	44.1	71.5	29.7	27.1	2.6	48.9
1946	46.2	32.4	78.6	34.0	28.3	5.7	44.5
1947	37.8	44.9	82.7	34.3	27.0	7.3	42.8
1948	35.0	46.9	81.9	37.0	27.7	9.3	54.4
1949	41.2	45.5	86.7	35.4	28.0	7.4	48.3
1950	40.0	53.4	93.4	35.5	27.1	8.4	48.2
1951	41.6	59.3	100.9	33.3	26.7	6.6	44.8
1952	40.2	64.9	105.1	40.3	32.5	7.8	48.8
1953	40.5	65.4	105.9	36.4	28.4	8.0	54.5
1954	43.8	68.6	112.4	36.1	27.9	8.2	40.3
1955	31.5	77.5	109.0	38.6	25.7	12.9	50.8
1956	38.5	69.7	108.2	*38.0	*25.5	*12.5	#51.0
1957 3/	30.2	*69.0	*99.2				

	Parity price 4/	Price support level	Placed under Government loan: Quantity	Placed under Government loan: Percentage of crop	Remaining in Government loan stocks on August 31, 1957 5/
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1946	30.0	27.0	0	---	0
1947	36.2	32.6	0	---	0
1948	48.8	43.9	3.0	8.6	.5
1949	46.5	41.8	2.6	6.3	.2
1950	56.5	48.6	5.5	13.8	.7
1951	60.6	6/	6/	6/	6/
1952	58.5	6/	6/	6/	6/
1953	56.0	50.4	6.7	18.1	4.5
1954	53.5	6/	6/	6/	6/
1955	53.1	6/	6/	6/	6/
1956	52.2	47.0	3.3	8.6	3.3
1957	53.1	7/47.8			
Total	---	---	21.1	---	9.2

1/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--October 1 through September 30. 2/ Year beginning October 1. 3/ Subject to revision. 4/ As of applicable date when support level was computed or October 1. 5/ Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. 6/ No support since marketing quota was not approved by two-thirds of growers voting. 7/ Minimum--subject to upward revision if parity price is higher as of October 1. *Preliminary estimate. #Auction market average.

Recent Legislation Relating to Marketing Quotas and Price Supports for Fire-Cured, Dark Air-Cured, and Virginia Sun-Cured Tobacco

Under Public Law 85-92, approved July 10, 1957, Virgina fire-cured (type 21) is defined as a separate kind of tobacco for marketing quota and price support purposes, beginning with the 1958 crop. For referendum purposes, however, type 21 is still grouped with types 22 and 23, and growers of these three fire-cured types will continue to vote in a single referendum. A referendum will be held within 30 days following the proclamation of 1958 marketing quotas, which by law are required to be announced by February 1, 1958. Growers will vote whether they desire marketing quotas on the 1958, 1959 and 1960 fire-cured crops. In the last referendum held in December 1954, a large majority of growers approved quotas on the 1955, 1956 and 1957 crops.

Another change made by the recent legislation, starting with the 1958 crop, sets the maximum level of support on Virginia fire-cured (type 21), Kentucky-Tennessee fire-cured (types 22-23), dark air-cured (types 35-36), and Virginia sun-cured (type 37). The support level for each of these four kinds of tobacco may not exceed the higher of (1) its 1957 support level, or (2) 90 percent of its parity. Beginning with the 1958 crop, support levels for these kinds will be at the 1957 level unless (1) the burley support drops below the 1957 level, or (2) 90 percent of parity for the particular tobacco rises above its 1957 support level.

Fire-Cured, Types 21-23

Domestic Use and Exports

Disappearance of fire-cured in the marketing year beginning October 1956 is estimated at 63 million pounds, 3 percent less than in 1955-56. Indications are that exports were down but that domestic use amounted to about 32 million pounds, 1 million more than in 1955-56. As the manufacture of snuff, the principal domestic outlet for fire-cured, was smaller during the 1956-57 marketing year, the increased overall use may be indicative of larger than usual quantities being utilized in other product.

Exports of fire-cured in 1956-57 are estimated at 31 million pounds (farm-sales weight), 7 percent less than a year earlier. During the first 10 months of the 1956-57 marketing year, exports of Kentucky-Tennessee leaf were 10 percent less than in the comparable period of 1955-56. More than three-fourths of total shipments went to the following eight countries (ranked in order of quantity of takings): Netherlands, France, Italy, Switzerland, Egypt, Indochina, Sweden and Belgium. Takings by Netherlands, which comprised more than one-fifth of total Kentucky-Tennessee exports, were up 18 percent. Exports to Indochina were 43 percent greater. Exports to Egypt of about 1.4 million pounds (farm-sales weight) contrasts with takings of less than 100,000 pounds in October 1955-July 1956. Belgium took slightly more than a year earlier but exports to France, Italy, Switzerland and Sweden were down sharply.

Table 18.--Fire-cured tobacco, types 21-23 1/: Domestic supplies, disappearance, season average price, and price support operations for specified periods (Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 2/ Total	Domestic	Exports	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	110.2	194.2	304.4	123.0	53.2	69.8	10.2
1941-45	66.1	170.7	236.8	81.9	49.6	38.3	22.1
1946	108.9	105.1	214.0	70.6	36.2	34.4	26.0
1947	86.4	143.4	229.8	67.2	36.9	30.3	29.5
1948	73.2	162.6	235.8	77.9	34.7	43.2	31.9
1949	72.2	157.9	230.1	65.2	36.5	28.7	29.8
1950	58.3	164.9	223.2	76.0	36.7	39.3	31.2
1951	59.5	147.2	206.7	59.8	32.2	27.6	40.0
1952	58.2	146.9	205.1	58.8	29.6	29.2	37.6
1953	48.9	146.3	195.2	61.2	32.9	28.3	33.8
1954	62.2	134.0	196.2	59.1	29.9	29.2	37.8
1955	65.2	137.1	202.3	64.6	31.1	33.5	37.3
1956	70.6	137.7	208.3	*63.0	*32.0	*31.0	36.6
1957 3/	52.0	*145.0	*197.0				

Year	Parity price 4/	Price support level 5/	Placed under Government loan: Quantity	Percentage of crop	Remaining in Government loan stocks on August 31, 1957 6/
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1946	17.8	25.2	40.8	37.5	0
1947	21.5	30.2	31.3	36.2	.1
1948	22.6	31.8	27.3	37.3	.9
1949	21.5	30.2	18.7	25.9	1.8
1950	30.3	34.3	12.2	20.9	2.3
1951	33.6	37.4	7.5	12.6	4.0
1952	34.8	37.1	10.9	18.7	5.1
1953	34.4	35.0	8.2	16.8	3.3
1954	34.8	34.8	6.9	11.1	4.5
1955	35.8	34.6	9.7	14.9	7.9
1956	36.2	36.1	20.2	28.6	19.6
1957	38.6	7/38.6			
Total	---	---	193.7	---	49.5

1/ Type 24 included until early 1950's when it became practically nonexistent. 2/ Year beginning October 1. 3/ Subject to revision. 4/ As of applicable date when support level was computed. 5/ Not based on parity but set by law at 75 percent of the burley support. 6/ Actual loan stocks on a packed-weight basis average about 6 percent less than these farm-sales weight figures. 7/ Minimum--subject to upward revision if burley support level increases as of October 1. *Preliminary estimate.

Exports of Virginia fire-cured in October 1956-July 1957 were nearly one-third less than in the like period of 1955-56. Norway, the leading outlet, took 15 percent less. Sharply reduced quantities went to Netherlands, Sweden, Switzerland and Australia. The United Kingdom, the second ranking outlet, took as much as in the same months of a year earlier. Countries with increased takings were New Zealand, Ireland and West Germany.

1957-58 Supply

Carryover on October 1, 1957, is estimated at approximately 145 million pounds, about 5 percent more than a year earlier. The September estimate of production was 52 million pounds, more than one-fourth below the 1956 outturn. Acreage allotments were reduced 10 percent, and about 14 percent of the allotted acreage was placed in the acreage reserve of the Soil Bank Program. Indicated yields per acre of the Kentucky-Tennessee types are substantially below the record 1956 yields. The average per acre yield of the Virginia type is also indicated smaller than in 1956.

Present indications point to total supplies of fire-cured tobacco in 1957-58 of about 197 million pounds, down 5 percent from 1956-57 but comparable with levels in 1953-54 and 1954-55. Carryover on October 1, 1958 may be reduced somewhat from its current level.

Separate 1958 marketing quotas and acreage allotments for Virginia fire-cured (type 21) and for Kentucky-Tennessee fire-cured (types 22-23) will be announced by the Secretary of Agriculture by February 1, 1958. Within 30 days following the announcement, growers of these types will vote on whether they favor marketing quotas for their 1958, 1959 and 1960 crops. The Soil Bank Program, extended for another year by Congress, will be available for the 1958 crop.

Price Supports and Prices

The 1957 crop of fire-cured will be supported at 75 percent of the burley support level, as provided by law. The minimum level of support for the 1957 crop, types 21-23 (announced last May), is 38.6 cents per pound. The actual level for the 1957 crop will be 38.6 cents or 75 percent of the October 1 burley support, whichever is higher. The burley parity (and consequently its support level) as of August was the same as when its minimum support was calculated.

The 1956 season average price for the combined fire-cured crop was 36.6 cents per pound. Virginia fire-cured averaged 39.5 cents, more than one-fourth above the average price of the storm-damaged 1955 crop. The average price of Kentucky-Tennessee type 23 at 32.7 was up slightly from each of the 2 preceding years. The 1956 crop of Kentucky-Tennessee type 22 averaged 37.3 cents, moderately below 1955 and 1954.

Last season, growers placed 20.2 million pounds of fire-cured tobacco (about 29 percent of the combined crop) under Government loan. This was the largest quantity and percentage of the crop since 1948. Quantities of the individual types placed under loan and the percentage of the crop they comprise are as follows: Virginia fire-cured, 1.7 million pounds, 16 percent; Kentucky-Tennessee type 22, 12.6 million pounds, 29 percent; and Kentucky-Tennessee type 23, 5.9 million pounds, 36 percent.

Of the approximately 20½ million pounds (farm-sales weight) of fire-cured tobacco of 1950 and older crops offered for sale for export on a competitive bid basis in April 1956, a little over 2 million pounds remained unsold as of September 20. The remaining tobacco consists of types 22 and 23; all of the type 21, Virginia fire-cured tobacco from the 1950 and prior crops was sold last year.

Dark Air-Cured and Sun-Cured, Types 35-37

Domestic Use and Exports

Disappearance of dark air-cured and sun-cured tobacco in the October 1956-September 1957 marketing year is estimated at about 33 million pounds, 6-7 million pounds more than in 1955-56 and the largest since 1950-51. Most of the increase was in exports. Domestic disappearance is placed at about 22 million pounds, 1 million pounds more than a year earlier. Production of chewing tobacco, the main outlet for dark air-cured tobacco, was smaller in October 1956-September 1957 than in the previous year. The indicated increased disappearance may reflect larger quantities going into other products.

Exports of these types in 1956-57 (including an allowance for the quantities shipped out in the form of Black Fat) are estimated at 10 million to 11 million pounds, compared with less than 6 million pounds in 1955-56. Much of the increase is attributable to sales for export of dark air-cured tobacco of the 1950 and older crops held by grower associations. In the 10 months, October 1956-July 1957, exports of One Sucker leaf amounted to 3.7 million pounds (farm-sales weight), contrasted with 0.3 million pounds in this period a year earlier. Exports to the Union of South Africa accounted for three-fifths of the recent 10-month total; Belgium and Portugal took most of the balance. In the same period, exports of Green River tobacco (type 36) totaled 1.3 million pounds (farm-sales weight), up from the 1.0 million pounds shipped in October 1955-July 1956. The United Kingdom, accounting for more than two-fifths of the total, took a little more than in the same months of 1955-56. The Union of South Africa, a new outlet, accounted for nearly one-third of the total. Belgium, the third ranking distination, took considerably less than in the same period a year earlier.

Table 19.--Dark air-cured and sun-cured tobacco, types 35-37: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/ Total	Disappearance 1/ Domestic	Disappearance 1/ Exports	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	35.5	62.8	98.3	39.0	27.0	12.0	9.4
1941-45	37.0	64.4	101.4	39.8	33.9	5.9	20.6
1946	49.6	60.4	110.0	37.3	29.7	7.6	22.5
1947	37.2	72.7	109.9	32.7	26.3	6.4	25.8
1948	34.8	77.2	112.0	37.5	22.7	14.8	28.7
1949	36.2	74.5	110.7	29.9	23.1	6.8	28.2
1950	28.6	80.8	109.4	36.4	25.6	10.8	24.6
1951	31.7	73.0	104.7	30.1	21.5	8.6	34.3
1952	33.8	74.6	108.4	29.3	22.7	6.6	31.6
1953	26.6	79.1	105.7	29.9	22.8	7.1	25.9
1954	34.1	75.8	109.9	29.1	19.0	10.1	34.1
1955	31.1	80.8	111.9	26.5	20.7	5.8	31.1
1956	33.9	85.4	119.3	*33.0	*22.0	*11.0	34.1
1957 2/	25.4	*87.0	*112.4				

	Parity price 3/ Types 35-36	Parity price 3/ Type 37	Price support level 4/	Placed under Government loan: Quantity	Placed under Government loan: Percentage of crop	Remaining in Government loan stocks on August 31, 1957 5/
	Ct.	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1946	14.3	19.1	22.4	15.7	31.7	0
1947	17.2	23.1	26.9	14.5	39.0	0
1948	18.1	24.2	28.3	8.9	25.6	6/.5
1949	17.2	23.1	26.9	4.0	11.0	6/.3
1950	27.2	34.2	30.5	4.1	14.3	6/.1
1951	29.6	37.5	33.2	7.4	23.3	4.3
1952	30.5	37.7	33.0	7/9.9	29.3	6.1
1953	30.2	35.6	31.1	7.5	28.2	3.8
1954	29.4	34.5	30.9	7.3	22.5	5.8
1955	30.4	34.1	30.8	6.3	20.0	5.0
1956	31.0	33.0	32.1	6.7	19.8	6.5
1957	33.0	35.4	8/34.3			
Total	---	---	---	92.3	---	6/32.4

1/ Year beginning October 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Not based on parity but set by law at 66 2/3 percent of the burley support. 5/ Actual loan stocks on a packed-weight basis average about 8 percent less than these farm-sales weight figures. 6/ All 1950 and prior crop tobacco has been sold. 7/ An additional 200,000 pounds under option to British manufacturers were pledged for CCC loans but were purchased and shipped by mid-1953. 8/ Minimum--subject to upward revision if burley support level increases as of October 1. *Preliminary estimate.

In addition to exports of dark air-cured tobacco in the form of leaf, substantial quantities (mostly One Sucker) are shipped as constitutents of Black Fat, a semiprocessed product. Exports of Black Fat in October 1956-July 1957 amounted to 3.7 million pounds, about the same as a year earlier. Traditionally, the chief markets for United States exports of Black Fat have been Nigeria, Ghana (formerly Gold Coast), and French West Africa, which together usually account for 85 to 90 percent of total shipments. In the first 10 months of the 1956-57 marketing year, exports to Nigeria were 10 percent less than in the same months of 1955-56. Exports to Ghana were up 7 percent, while those to French West Africa showed little change. Larger quantities went to Cameroon but less to Canary Islands.

1957-58 Supply

October 1, 1957 stocks of dark air-cured and sun-cured are estimated at near 87 million pounds, 1 million to 2 million pounds above the relatively heavy holdings a year earlier and the largest in many years. The September estimate of 1957 production is 25 million pounds, one-fourth smaller than the 1956 crop. Acreage allotments for most farms growing dark air-cured were reduced 15 percent, and about 5 percent of the allotted acreage was placed in the Soil Bank. The acreage allotment for sun-cured was about the same as in 1956. Growers placed more than 40 percent of the 1957 allotted acreage in the Soil Bank. The indicated 1957 average yield of dark air-cured is down from the 1956 record level; that of Virginia sun-cured is also below the favorable 1956 yield.

Total supplies for 1957-58--October 1 stocks plus this year's crop--are indicated at 112 million pounds, about 7 million less than in 1956-57 and about equal to those in 1955-56. It is likely that October 1, 1958 carryover will be reduced from current levels.

By February 1, 1958, the Secretary of Agriculture will announce 1958 marketing quotas and acreage allotments for dark air-cured and Virginia sun-cured tobacco. Within 30 days following the announcement for dark air-cured, types 35-36, growers of these types will vote on whether they favor marketing quotas for their 1958, 1959 and 1960 crops. The last referendum was held in late 1954, when Kentucky-Tennessee growers of dark air-cured approved marketing quotas on their 1955, 1956 and 1957 crops. Growers of Virginia sun-cured (type 37) approved quotas on their 1956, 1957 and 1958 crops in a referendum held in late 1955. The Soil Bank Program will also be available in 1958.

Price Supports and Prices

The 1957 crop of dark air-cured and sun-cured tobacco will be supported at 66 2/3 percent of the burley support. The minimum level of support (announced last May) for 1957 dark air-cured and sun-cured tobacco is 34.3 cents per pound. The actual level of support will be 34.3 cents or 66 2/3 percent of the October 1 burley support, whichever is higher. The burley parity (and consequently its support level) as of August was the same as when its minimum support was calculated.

Last year's combined dark air- and sun-cured crop brought an average price of 34.1 cents per pound, a tenth higher than for the 1955 crop. The One Sucker (type 35) crop averaged a record 36.0 cents, up nearly 3 cents from a year earlier. The quality of the 1956 crop was considerably better than that of the previous year. The Green River crop (type 36), little changed in quality compared with 1955 offerings, averaged 30.0 cents, up seven-tenths of a cent. The price of Virginia sun-cured (type 37) averaged 35.7 cents, also a record high and more than 10 cents a pound above the average price of the storm-damaged 1955 crop. The 5-year (1950-54) average price of Virginia sun-cured was 32.8 cents.

During the 1956-crop marketing season, growers placed 3.4 million pounds of One Sucker (type 35) and 3.2 million pounds of Green River (type 36) under Government loan. This was equal to 17 and 31 percent, respectively, of these crops. Only 103,000 pounds of Virginia sun-cured went under loan.

Recently, the Department announced that all dark air-cured tobacco of the 1950 and older crops held by grower associations in early April 1956 had been sold. The quantity involved was about 7.6 million pounds, farm-sales weight, most of which was sold for export on a competitive bid basis.

Cigar, Types 41-62

Domestic Use and Exports

The 1956-57 disappearance of Pennsylvania and Ohio filler types 41-44 is estimated at 58 million pounds, about 4 million less than in 1955-56. Most of the decline is indicated in the Pennsylvania type 41, which was at a postwar high in 1955-56. Exports of cigar filler in 1956-57 totaled about a half million pounds; the great bulk went to Algeria.

The 1956-57 disappearance of the combined binder types 51-55 is estimated at 47 million pounds, around 3 million less than in each of the preceding 2 years. A fairly sharp decline is indicated in domestic use of Connecticut Valley Havana Seed (type 52) and a moderate drop for Connecticut Valley Broadleaf (type 51). The expanding use of manufactured binder sheet in the making of cigars was probably the major cause of the reduction in use of Connecticut Valley types. Domestic use of Wisconsin type 54 appears to be almost the same as in 1955-56 and use of Wisconsin type 55 may have increased a little.

Exports of Connecticut Broadleaf in 1956-57 nearly quadrupled due to the nearly 1 million pounds going to Spain. Shipments to Spain accounted for almost three-fourths of total Broadleaf exports from October 1956 to July 1957. Exports of Havana Seed in the same 10-month period were a little lower than in the comparable period of 1955-56. Belgian takings of Havana Seed were up sharply but West Germany and Netherlands took less than a year earlier. Exports of Wisconsin tobacco for the marketing year through July were down sharply from a year earlier due mainly to much less going to West Germany and Sweden.

Table 20.--Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, 1947-57

(Farm-sales weight)

Year	Production	Stocks Oct. 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Cents
			Pennsylvania Seedleaf (type 41)				
1947	52.1	98.5	150.6	50.8	49.3	1.5	30.5
1948	57.4	99.8	157.2	51.2	50.5	.7	26.3
1949	54.2	106.0	160.2	44.4	43.7	.7	26.4
1950	56.0	115.8	171.8	45.6	45.0	.6	26.4
1951	56.2	126.2	182.4	50.0	49.3	.7	19.0
1952	37.9	132.4	170.3	51.2	50.8	.4	25.2
1953	38.2	119.1	157.3	51.6	51.4	.2	27.5
1954	48.8	105.7	154.5	41.5	41.4	.1	27.4
1955	45.7	113.0	158.7	55.0	54.6	.4	24.5
1956	51.0	103.7	154.7	2/50.7	2/50.3	.4	24.0
1957 2/	40.5	104.0	144.5				
			Ohio, Miami Valley (types 42-44)				
1947	8.4	23.7	32.1	8.2	8.2		31.0
1948	10.9	23.9	34.8	8.9	8.9		23.0
1949	11.2	25.9	37.1	9.1	9.1		25.0
1950	10.5	28.0	38.5	7.3	7.3		18.6
1951	7.3	31.2	38.5	10.0	10.0		24.4
1952	8.8	28.5	37.3	10.0	10.0		25.0
1953	6.6	27.3	33.9	9.8	9.8		18.5
1954	8.0	24.1	32.1	9.2	9.2		22.5
1955	7.5	22.9	30.4	7.2	7.2		21.8
1956	6.6	23.2	29.8	2/7.0	2/7.0		22.0
1957 2/	5.6	22.8	28.4				
			Puerto Rico (type 46)				
1947	26.1	74.0	100.1	32.1	30.6	1.5	27.5
1948	27.0	68.0	95.0	41.8	32.9	8.9	27.0
1949	26.0	53.2	79.2	28.1	25.9	2.2	20.0
1950	25.5	51.1	76.6	28.8	28.5	.3	28.0
1951	28.1	47.8	75.9	34.1	33.8	.3	30.0
1952	34.3	41.8	76.1	28.9	28.6	.3	32.0
1953	34.1	47.2	81.3	32.1	32.0	.1	30.0
1954	34.0	49.2	83.2	23.9	23.8	.1	30.5
1955	30.0	59.3	89.3	31.7	31.6	.1	25.2
1956	24.0	57.6	81.6				30.8
1957 2/							

1/ Year beginning October 1. 2/ Preliminary.

The 1956-57 disappearance of shade-grown wrapper types 61-62 was 15.7 million pounds, a million lower than in each of the preceding 2 years. The drop from 1955-56 to 1956-57 was entirely in the Georgia-Florida wrapper. Domestic use of wrapper at 11.2 million pounds declined about 4 percent. Exports at 4.5 million pounds were 12 percent lower than the previous year's record though larger than in any other year. West Germany (accounting for two-thirds of the total) took a record quantity in 1956-57, 5½ percent more than in 1955-56. Canada took a little more but wrapper shipments to Belgium and Netherlands declined sharply.

1957-58 Supplies

Filler: The October 1 carryover of Pennsylvania and Ohio filler is estimated at 127 million pounds, about the same as last October 1. The September estimate of production is 46 million pounds, 20 percent below 1956 harvestings. Acute drought in the Pennsylvania growing area is chiefly responsible for the sharp drop. The 1957-58 total supply of continental filler, now estimated at 173 million pounds, is about 6 percent less than in 1956-57 and the lowest on record.

The Puerto Rican crop of cigar filler (type 46) harvested early this year totaled about 24 million pounds, one-fifth less than a year earlier and the smallest crop in 10 years. Carryover of approximately 53 million, pounds this October 1 is likely, about one-twelfth less than on October 1, 1956.

Binder: The October 1 carryover of combined binder types 51-55 is estimated at 96 million pounds, 13 million below last October and 20 million less than 2 years ago. The September estimate of production is 28 million pounds, 6 million less than 1956 harvestings and 15 million below 2 years ago. This year's crop plus the carryover will provide a total supply of 124 million pounds for 1957-58--a drop of 14 percent from 1956-57 and down 23 percent from 2 years ago.

In the Connecticut valley, acreage for harvest of Havana Seed (type 52) this year is less than one-third as much as 2 years ago, and for Broadleaf (type 51), less than one-half as much as 2 years ago. A substantial share of the acreage allotment for these types was placed in the acreage reserve of the Soil Bank Program. As of September 1, indicated average yields per acre were considerably less than last year's comparatively high figure.

In Wisconsin, tobacco acreage was up a little from last year but remained below 2 years ago. September 1 indications were for lower yields on the average than last season's record.

Wrapper: The July 1 carryover of shade-grown wrapper was nearly 18½ million, up 8 percent from July 1, 1956. This year's production according to September 1 indications will be near 16 3/4 million pounds, 2 to 3 percent less than in 1956. All of the decline is in the Connecticut Valley, while Georgia-Florida shows a small increase. The 1957-58 total supply of shade-grown wrapper types is near 35 million pounds, over a million above 1956-57 and 1½ million above 1955-56.

Table 21.- Cigar binder tobacco, types 51-55: Domestic supplies, disappearance, and season average prices, 1947-57

(Farm-sales weight)

Year	Production	Stocks October 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
	Connecticut Valley Broadleaf (type 51)						
1947	15.0	28.6	43.6	13.3			51.0
1948	14.0	30.3	44.3	17.8	13.5	4.3	60.0
1949	14.1	26.5	40.6	12.9	11.8	1.1	53.0
1950	16.4	27.7	44.1	14.3	13.3	1.0	52.0
1951	14.5	29.8	44.3	14.1	13.2	.9	51.0
1952	14.8	30.2	45.0	14.5	13.8	.7	50.0
1953	14.7	30.5	45.2	13.4	12.7	.7	58.4
1954	13.3	31.8	45.1	11.7	11.5	.2	56.5
1955	12.1	33.4	45.5	14.7	14.3	.4	44.9
1956	7.9	30.8	38.7	2/15.0	2/13.5	2/1.5	59.0
1957 2/	5.6	23.7	29.3				
	Connecticut Valley Havana Seed (type 52)						
1947	15.1	16.5	31.6	12.2			73.3
1948	14.6	19.3	33.9	14.1	9.4	4.7	62.3
1949	14.7	19.8	34.5	9.5	7.4	2.1	41.9
1950	15.2	25.0	40.2	12.9	11.2	1.7	39.8
1951	11.2	27.3	38.5	11.0	9.1	1.9	42.6
1952	9.6	27.5	37.1	12.9	11.5	1.4	48.9
1953	12.0	24.2	36.2	11.9	10.8	1.1	54.9
1954	11.9	24.3	36.2	12.9	12.2	.7	44.0
1955	9.9	23.3	33.2	11.6	10.1	1.5	35.0
1956	5.5	21.6	27.1	2/ 8.3	2/7.0	2/1.3	42.4
1957 2/	3.2	18.8	22.0				
	Southern Wisconsin (type 54)						
1947	15.8	37.9	53.7	16.5			22.3
1948	11.9	37.2	49.1	9.3	8.9	.4	22.4
1949	12.6	39.8	52.4	12.3	12.3		22.8
1950	13.2	40.1	53.3	13.0	13.0		23.5
1951	10.4	40.3	50.7	16.0	16.0		25.3
1952	8.3	34.7	43.0	9.7	8.1	1.6	19.5
1953	7.2	33.3	40.5	10.0	10.0		24.3
1954	7.5	30.5	38.0	9.0	8.5	.5	24.3
1955	6.7	29.0	35.7	10.4	10.0	.4	22.9
1956	6.8	25.4	32.2	2/10.2	2/10.2		26.1
1957 2/	6.5	22.0	28.6				
	Northern Wisconsin (type 55)						
1947	21.5	37.6	59.1	22.9			34.9
1948	18.4	36.2	54.6	19.4	17.7	1.7	23.0
1949	18.8	35.2	54.0	13.2	13.0	.2	28.5
1950	18.7	40.8	59.5	16.4	16.3	.1	28.1
1951	12.9	43.1	56.0	15.6	15.5	.1	31.3
1952	13.6	40.4	54.0	18.6	18.4	.2	31.4
1953	12.8	35.4	48.2	16.4	16.1	.3	31.9
1954	15.4	31.8	47.2	16.3	16.1	.2	32.7
1955	14.3	30.9	45.2	13.4	13.1	.3	24.6
1956	13.8	31.8	45.6	2/14.0	2/13.8	2/.2	30.9
1957 2/	12.7	31.6	44.3				

1/ Year beginning October 1.

2/ Preliminary.

Table 22.--Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, 1947-57

(Farm-sales weight)

Year	Production	Stocks July 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
	Connecticut Valley Shade-grown (type 61)						
1947	9.3	10.1	19.4	8.7			310.0
1948	9.8	10.7	20.5	8.4			290.0
1949	11.1	12.1	23.2	9.6			205.0
1950	9.1	13.6	22.7	9.7			205.0
1951	8.2	13.0	21.2	8.3			205.0
1952	8.9	12.9	21.8	10.8			210.0
1953	10.3	11.0	21.3	9.9			205.0
1954	9.9	11.4	21.3	10.2			215.0
1955	8.8	11.1	19.9	9.3			215.0
1956	10.3	10.6	20.9	9.6			205.0
1957 2/	9.7	11.3	21.0				
	Georgia-Florida Shade-grown (type 62)						
1947	4.2	3.2	7.4	3.6			265.0
1948	5.3	3.8	9.1	4.6			245.0
1949	6.2	4.5	10.7	4.8			195.0
1950	6.4	5.9	12.3	5.4			200.0
1951	6.8	6.9	13.7	5.4			180.0
1952	5.8	8.3	14.1	5.8			180.0
1953	4.5	8.3	12.8	6.0			195.0
1954	6.6	6.8	13.4	6.5			195.0
1955	6.8	6.9	13.7	7.3			185.0
1956	6.8	6.4	13.2	6.1			185.0
1957 2/	7.0	7.1	14.1				
	Total Shade-grown (types 61-62)						
1947	13.5	13.4	26.9	12.4	12.4	0	296.0
1948	15.1	14.5	29.6	13.0	10.5	2.5	274.0
1949	17.3	16.6	33.9	14.5	10.8	3.7	201.0
1950	15.5	19.4	34.9	14.9	11.3	3.6	203.0
1951	14.9	20.0	34.9	13.7	10.1	3.6	194.0
1952	14.7	21.2	35.9	16.6	12.2	4.4	198.0
1953	14.8	19.3	34.1	15.9	12.2	3.7	202.0
1954	16.4	18.2	34.6	16.6	12.4	4.2	207.0
1955	15.6	18.0	33.6	16.6	11.5	5.1	202.0
1956	17.2	17.0	34.2	15.7	11.2	4.5	197.0
1957 2/	16.7	18.5	35.2				

1/ Year beginning July 1.

2/ Subject to revision.

Marketing Quotas and Acreage Allotments

In two separate referendums last February, growers of Connecticut Valley binder (types 51-52) and growers of Ohio filler and mainly Wisconsin binder (types 42-44 and 53-55) overwhelmingly approved marketing quotas for their 1957, 1958 and 1959 crops. The 1958 marketing quotas and acreage allotments for these two kinds of tobacco will be announced by February 1, 1958. Prior to 1957, the above types were considered a single kind of tobacco for marketing quota and price support purposes.

Growers of Pennsylvania filler type 41 in 1955 rejected marketing quotas applicable to the 1956, 1957, and 1958 crops.

Puerto Rican filler (type 46) has not been subject to a Federal marketing quota since its supply level has not required it. The commonwealth government of Puerto Rico has applied a quota for several years.

The shade-grown cigar wrapper types 61-62 are not subject to marketing quotas under existing legislation.

Price Supports

The 1958 crops of cigar binder types 51-52 and cigar filler and binder types 42-44--53-55 will be supported at 90 percent of parity. The 1957 crop price support for these types will be the minimum (announced last April) or 90 percent of the October 1 parities, whichever is higher.

The 1957 price support level for Puerto Rican tobacco is dependent upon its supply relationship and will be computed as a percentage of its October 1, 1957 parity. In Puerto Rico, most tobacco is planted late in the calendar year and harvested and marketed during the first half of the following year. Its 1956 support level computed at 89 percent of parity was 31.4 cents per pound.

Since Pennsylvania filler type 41 growers rejected a marketing quota, Government price support is not available for the 1957 crop of this type. The cigar wrapper types are not covered by price support legislation.

Marketings of most continental cigar filler and binder tobacco begin in the fall and purchases are generally made at the barn door.

Table 23.--Cigar tobacco types: Government loan levels, season average prices--1955-56, and minimum supports for 1957 crops

Type	1955		1956		1957
	Loan level 1/	Season average price	Loan level 1/	Season average price	Minimum support 1/ 2/
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
Ohio cigar filler, types 42-44	24.7	21.8	23.4	22.0	23.2
Puerto Rican filler, type 46	31.9	25.2	31.4	30.8	3/
Connecticut Valley Broadleaf binder, type 51	53.9	44.9	52.5	59.0	53.3
Connecticut Valley Havana Seed binder, type 52	50.8	35.0	49.0	42.4	48.5
Southern Wisconsin binder, type 54	24.5	22.9	22.8	26.1	23.3
Northern Wisconsin binder, type 55	32.0	24.6	29.6	30.9	29.9

1/ For Pennsylvania Havana Seed, type 53: 1955, 25.0 cents; 1956, 23.6 cents; and 1957, 23.3 cents. 2/ If supports based on October 1 parities are higher than these minimums, the actual supports will be higher. 3/ Support level to be announced later.

Table 24.--Cigar tobacco price support operations, quantities placed under loan, 1946-56 and remaining under loan

Crop year	Ohio, types 42-44	Puerto Rican, type 46	Conn. Valley, type 51	Conn. Valley, type 52	So. Wis., type 54	No. Wis., type 55	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1946	0	10.6	0	0	2.2	0	12.8
1947	0	10.3	0	0	.8	0	11.1
1948	0	12.3	0	0	2.0	3.0	17.3
1949	0	9.3	.1	3.2	.2	.5	13.3
1950	2.6	.3	.1	3.7	1.4	.6	1/11.5
1951	.6	1.1	1.7	2.7	4.8	.1	1/11.0
1952	2/	1.4	2/	2/	2/	2/	1.4
1953	2.7	1.4	3/	1.8	2.4	1.9	1/10.3
1954	1.2	5.1	.8	3.4	1.3	.9	12.7
1955	.8	2.8	7.8	5.2	.4	3.1	20.1
1956	.4	1.5	1.7	1.6	.1	.9	6.2
Total	8.3	56.1	12.2	21.6	15.6	11.0	1/127.7
Remaining as of August 31, 1957	2.2	.9	7.7	6.6	4/.7	4/2.7	4/20.8

1/ Includes 2.8 million pounds of 1950 crop Pennsylvania Seedleaf (type 41) and negligible amounts from the 1950, 1951, and 1953 crops of New York and Pennsylvania Havana Seed (type 53). 2/ Price support not in effect because marketing quotas were disapproved by growers. 3/ Less than 50,000 pounds. 4/ Of this roughly 1.5 pounds of Wisconsin tobacco has been sold.

Table 25.- Tobacco: Acreage in the United States, by types, for specified periods with percentages

Period	Flue-cured 11-14	Fire-cured 21-24 1/	Burley 31	Maryland 32	Dark air-cured 35-37	Cigar Filler 41-45 1/	Cigar Binder 51-56 1/	Cigar Wrapper 61-62	Total 2/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Average									
1924-28	893.7	224.4	322.2	31.2	85.9	68.1	64.0	9.6	1,700.3
1929-33	949.5	204.3	460.9	36.1	64.5	65.3	56.3	9.0	1,847.3
1934-38	863.2	135.2	347.2	36.7	42.0	38.7	29.2	8.9	1,501.3
1939	1,269.9	114.5	424.7	40.0	48.7	48.8	41.2	10.9	1,999.7
1940	741.0	119.9	360.3	38.4	47.0	48.4	44.4	10.3	1,410.2
1941	717.6	74.5	341.9	40.3	32.6	47.6	41.0	10.8	1,306.5
1942	792.7	72.8	350.6	38.0	34.0	43.1	36.3	9.6	1,377.3
1943	842.8	68.8	399.3	35.3	30.9	37.9	33.1	9.6	1,458.0
1944	1,017.3	64.7	496.6	45.0	40.2	37.9	37.3	10.5	1,749.9
1945	1,078.7	61.3	512.3	35.0	44.1	36.0	41.8	11.2	1,820.7
1946	1,188.8	91.6	489.0	50.0	40.8	39.0	48.8	12.5	1,960.8
1947	1,161.2	83.8	420.5	47.5	35.3	42.7	46.4	13.6	1,851.6
1948	883.8	62.6	432.0	46.6	29.9	43.6	39.7	15.1	1,553.6
1949	935.4	60.7	447.4	50.0	31.9	42.4	39.5	15.6	1,623.2
1950	958.4	52.9	408.3	50.0	28.7	44.6	42.0	13.7	1,599.0
1951	1,110.1	49.0	456.1	53.0	26.5	39.5	31.7	13.6	1,779.9
1952	1,111.3	47.4	463.5	50.0	26.3	28.7	30.7	13.1	1,771.4
1953	1,021.8	48.3	419.7	45.0	26.0	30.2	29.3	12.3	1,632.9
1954	1,042.2	52.0	420.9	50.0	25.9	33.6	29.6	13.0	1,667.5
1955	990.7	48.2	310.6	47.0	24.2	33.9	27.7	12.9	1,495.4
1956	875.2	47.0	309.8	44.0	22.4	34.0	19.1	13.3	1,365.1
1957 3/	661.6	37.8	306.4	39.0	18.7	33.7	17.7	13.2	1,128.3
	Percentage Decrease								
Average 1947-49 to 1957	33.4	45.2	29.3	18.8	42.3	21.4	57.8	10.8	32.7
1956 to 1957	24.4	19.6	1.1	11.4	16.5	.9	7.3	.8	17.3

1/ Types 45, 56, and 24 ended in 1939, 1948, and 1949, respectively.
2/ Includes relatively small acreage of Louisiana Perique, type 72.
3/ Subject to revision.

Table 26 .- Tobacco: Yield per acre in the United States, by types, for specified periods with percentages

Period	Flue-cured 11-14	Fire-cured 21-24 1/	Burley 31	Mary-land 32	Dark air-cured 35-37	Cigar: Filler 41-45 1/	Cigar: Binder 51-56 1/	Cigar: Wrapper 61-62	All types
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Average:									
1924-28	676	767	807	781	784	1,340	1,256	1,041	765
1929-33	707	777	777	683	803	1,035	1,350	1,039	770
1934-38	856	811	819	749	837	1,266	1,465	954	865
1939	922	868	931	820	908	1,292	1,536	1,044	940
1940	1,025	888	1,045	850	905	1,337	1,530	922	1,036
1941	905	935	985	775	967	1,497	1,503	939	966
1942	1,024	982	980	740	1,037	1,249	1,520	963	1,023
1943	938	943	982	590	972	1,241	1,540	1,044	964
1944	1,069	1,022	1,189	850	1,116	1,440	1,548	1,075	1,115
1945	1,088	951	1,127	525	988	1,261	1,518	1,001	1,094
1946	1,137	1,189	1,256	925	1,215	1,469	1,519	1,000	1,181
1947	1,135	1,031	1,153	795	1,054	1,419	1,495	992	1,138
1948	1,233	1,170	1,396	750	1,165	1,566	1,524	998	1,274
1949	1,191	1,189	1,253	825	1,133	1,542	1,561	1,108	1,213
1950	1,312	1,102	1,222	800	998	1,474	1,547	1,130	1,269
1951	1,309	1,215	1,355	785	1,197	1,594	1,572	1,098	1,310
1952	1,229	1,228	1,403	805	1,286	1,550	1,532	1,124	1,273
1953	1,245	1,013	1,345	900	1,022	1,468	1,617	1,203	1,261
1954	1,261	1,197	1,586	875	1,317	1,664	1,641	1,264	1,345
1955	1,497	1,353	1,513	670	1,284	1,569	1,553	1,213	1,466
1956	1,625	1,501	1,635	875	1,514	1,694	1,778	1,290	1,598
1957 2/	1,413	1,375	1,592	775	1,357	1,366	1,584	1,267	1,437
	Percentage Change								
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Average 1947-49 to 1957	19.1	21.7	25.7	-1.9	21.5	-9.5	3.7	22.7	19.0
1956 to 1957	-13.0	-8.4	-2.6	-11.4	-10.4	-19.4	-10.9	-1.8	-10.1

1/Types 45, 56 and 24 ended in 1939, 1948, and 1949, respectively.

2/ Subject to revision.

Table 27.--Receipts from Federal taxes on tobacco products, selected averages, and fiscal years 1945-57

Fiscal year	Cigarettes 1/	Cigars 2/	Chewing and smoking	Snuff	All other 3/	Total
	Thousand dollars	Thousand dollars	Thousand dollars	Thousand dollars	Thousand dollars	Thousand dollars
Average:						
1925-29	280,594	30,576	64,727	7,033	1,666	384,596
1930-34	343,029	15,510	57,451	6,954	1,409	424,353
1935-39	456,908	12,677	54,712	6,677	1,214	532,188
1940-44	718,814	18,884	50,914	7,275	4,096	799,983
1945	836,753	36,678	49,574	7,741	1,399	932,145
1946	1,072,971	41,454	41,961	7,373	1,760	1,165,519
1947	1,145,268	48,354	36,548	7,054	544	1,237,768
1948	1,208,204	46,752	37,024	7,372	928	1,300,280
1949	1,232,735	45,590	35,435	7,272	843	1,321,875
1950	1,242,851	42,170	35,070	7,389	985	1,328,465
1951	1,293,973	44,275	33,870	7,235	1,043	1,380,396
1952	1,474,072	44,810	22,817	4,796	4/18,667	1,565,162
1953	1,586,782	46,326	17,244	3,821	738	1,654,911
1954	1,513,740	45,618	16,249	3,925	697	1,580,229
1955	1,504,197	46,246	16,153	3,909	708	1,571,213
1956	1,549,045	45,040	14,868	3,822	722	1,613,497
1957	1,610,908	44,858	14,017	3,665	602	1,674,050

1/ Includes large cigarettes.

2/ Includes small cigars.

3/ Leaf dealer penalties, floor taxes, cigarette papers and tubes, etc.

4/ The extremely sharp increase in this total largely represents the collections of floor taxes on cigarettes following the rate increase that became effective on November 1, 1951.

Compiled from reports of the Internal Revenue Service.

Table 28.--Tobacco manufactures: Net sales, net income, and profit ratios, annual 1947-56, by quarters 1955-57

Year and quarter	Net sales	Net income		Profit			
				Per dollar of sales		As percentage of stockholders' equity (annual basis)	
		Before Federal tax	After Federal tax	Before Federal tax	After Federal tax	Before Federal tax	After Federal tax
	Million dollars	Million dollars	Million dollars	Cents	Cents	Percent	Percent
1947	2,641	178	109	6.7	4.1	16.6	10.1
1948	3,081	257	159	8.3	5.2	22.0	13.7
1949	3,061	250	156	8.2	5.1	20.2	12.6
1950	3,129	281	152	9.0	4.9	21.3	11.5
1951	3,329	294	129	8.8	3.9	21.8	9.6
	Current series 1/						
1951	3,378	295	129	8.7	3.8	21.7	9.5
1952	3,702	285	120	7.7	3.2	19.8	8.4
1953	3,768	338	138	9.0	3.7	22.9	9.4
1954	3,672	329	156	9.0	4.2	21.5	10.2
1955	3,796	388	183	10.2	4.8	24.2	11.4
1956	3,955	412	197	10.4	5.0	24.5	11.7
1955							
1	860	74	35	8.6	4.1	18.8	8.9
2	975	98	47	10.1	4.8	24.6	11.8
3	994	110	53	11.1	5.3	27.3	13.1
4	967	106	48	11.0	5.0	26.0	11.8
1956							
1	904	88	41	9.7	4.5	21.4	10.0
2	1,002	105	50	10.5	5.0	25.2	12.0
3	1,026	111	54	10.8	5.3	26.2	12.7
4	1,027	109	52	10.6	5.1	25.4	12.1
1957							
1	936	90	44	9.6	4.7	21.0	10.3

1/ Not strictly comparable to the series previously published for 1947-51, but differences in the current and previous series for 1951 are relatively minor.

Compiled and adapted from Quarterly Financial Report for Manufacturing Corporations, Federal Trade Commission--Securities and Exchange Commission.

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